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REVIEW OF THE EFFICIENCY OF THE ADMINISTRATIVE AND FINANCIAL FUNCTIONING OF THE UNITED NATIONS

Restructuring of the United Nations Secretariat

Report of the Secretary-General

CONTENTS

		Paragraphs	Page
I.	INTRODUCTION	1 - 10	3
II.	IMPLEMENTATION OF RESTRUCTURING	11 - 44	5
	A. Objectives of restructuring	11 - 16	5
	B. General assessment	17 - 35	7
	C. Problems encountered in the process	36 - 44	12
III.	IMPACT OF RESTRUCTURING	45 - 215	14
	A. Political, peace-keeping and humanitarian functions	45 - 96	14
	1. Department of Political Affairs	51 - 57	15
	2. Department of Peace-keeping Operations	58 - 71	17

* A/49/150.

CONTENTS (continued)

	Paragraphs	Page
3. Department of Humanitarian Affairs	72 - 86	20
4. Human rights	87 - 96	24
B. Economic and social sectors	97 - 183	26
1. Department for Policy Coordination and Sustainable Development	107 - 115	28
2. Department for Economic and Social Information and Policy Analysis	116 - 123	31
3. Department for Development Support and Management Services	124 - 139	34
4. United Nations Conference on Trade and Development	140 - 155	36
5. Decentralization of the regional commissions .	156 - 163	40
6. Strengthening the United Nations presence at Nairobi	164 - 170	41
7. United Nations Office at Vienna	171 - 183	43
C. Administration and management, common services and other activities	184 - 215	45
1. Department of Administration and Management ..	184 - 190	45
2. Office for Inspections and Investigations	191 - 204	47
3. Department of Public Information	205 - 215	50
IV. CONCLUDING REMARKS	216 - 218	52
Annex. Objectives of the restructuring exercise		55

I. INTRODUCTION

1. The General Assembly, in section I.C of its resolution 48/218 A of 23 December 1993, requested the Secretary-General to submit to it at its forty-ninth session, through the Committee for Programme and Coordination and the Advisory Committee on Administrative and Budgetary Questions, an analytical report on all aspects of the restructuring of the Secretariat and its effects on programmes. In the same resolution, the Assembly regretted that the report submitted to it on the subject (A/48/428) did not provide an analysis of the effects of restructuring on programmes as requested by the General Assembly in its resolutions 46/232 of 2 March 1992 and 47/212 A and B of 23 December 1993 and 6 May 1994 respectively, and did not include proposals on decentralization measures.

2. Pursuant to resolution 48/218 A, the present report provides an analysis and assessment of the impact on programmes of the restructuring measures introduced by the Secretary-General during the past biennium. It deals with both measures that fall within the prerogative of the Secretary-General and measures specifically adopted by the General Assembly on its own initiative or on the basis of proposals submitted by the Secretary-General. Some incidental references are made to proposals that are still under consideration at the intergovernmental level.

3. The analysis in the present report focuses in particular on the impact of the restructuring measures adopted at Headquarters and of the redeployments of activities and resources undertaken both to and away from Headquarters, which were acted on by the General Assembly in its resolution 47/212 A. It does not review in detail other internal restructuring measures introduced during the present period in the various United Nations programmes and entities and the regional commissions, which have been the subject of separate reports to the concerned intergovernmental bodies. A separate report containing proposals for decentralization of activities and resources in the field of natural resources and energy to the regional commissions has meanwhile been issued (A/C.5/48/76) and acted upon by the General Assembly (resolution 48/261 of 14 July 1994). The Secretary-General's approaches to decentralization and related developments in the regional commissions are also reviewed in some detail in the report of the Secretary-General on regional cooperation submitted to the substantive session for 1994 of the Economic and Social Council. 1/

4. The present report should be read in conjunction with the report of the Secretary-General on the revised estimates of the programme budget for the biennium 1992-1993 submitted pursuant to General Assembly resolution 47/212 A (A/C.5/47/88), which provided the Secretary-General's overall justification for the restructuring of the Secretariat, and with his report on restructuring to the forty-eighth session of the Assembly (A/48/428). Information on the effects of restructuring also appears in the second performance report on the programme budget for the biennium 1992-1993 (A/C.5/48/48). Moreover, programmatic implications of the measures introduced were elaborated in the introduction and in the body of the Organization's proposed programme budget for the biennium 1994-1995. 2/

5. Finally, and in relation to the managerial aspects of the restructuring efforts, the present report may usefully be read in conjunction with the report of the Secretary-General on the establishment of a transparent and effective system of accountability and responsibility (A/C.5/49/1), prepared pursuant to resolution 48/218 A.

6. With a view to providing an appropriate response to the General Assembly's request, that is, an analytical report containing both quantitative and qualitative information on the impact of the restructuring process, and bearing in mind the comments of Member States on the item at the forty-eighth session of the General Assembly, a Secretariat-wide consultative effort was conducted, including extensive discussions in the Advisory Panel on Management and Finance and the meeting of senior officials in the economic and social fields. The report provides, on that basis, both the Secretary-General's initial overall assessment of what has been achieved through the restructuring exercise and a department-, office- or unit-specific analysis of the rationale, implementation and remaining constraints of the effort.

7. A note of caution: while it is now possible to determine whether the stated objectives that have guided the Secretary-General in his restructuring effort have been translated into measures that have actually been implemented and are producing some initial results, the time that has elapsed since those measures have come into force is still short for a full and definitive evaluation. Nevertheless, wherever possible, an attempt has been made to assess whether the measures undertaken and the resulting new institutional configuration seem to be aimed in the right direction and carry the potential for further positive impact.

8. To be meaningful, such an assessment, no matter how preliminary, must go beyond purely quantitative indicators. Thus an effort has been made in the present report to introduce the first elements of a qualitative assessment of the effects of the restructuring as evaluated individually and collectively by programme managers. Two limitations should, however, be pointed out in that connection. One is the difficulty of identifying or accessing reliable qualitative baseline data. The other is that the process being assessed is by its very nature a continuing one, aimed at adapting the Organization to emerging new challenges and roles: it is not to be considered a single event. As such, it is an effort in which periods of restructuring will alternate with periods of consolidation. In the circumstances, the assessment exercise is best approached, like restructuring itself, as a learning process. As experience is gained and as more reliable qualitative data become available, through the programme budget and performance reporting process and through specific evaluation efforts, a clearer picture will emerge of the benefits and lacunae of restructuring. In the first instance, a more precise assessment of the process should be possible at the end of the current budgetary period.

9. In a complex international organization such as the United Nations, the process of change and its effectiveness are affected by many different variables. The ultimate test of change is of course whether, over time, the structure of the Organization is better suited to the needs of Member States. The provision by Member States of the necessary guidance in that respect is crucial. It is also important that Member States, in acting in various United

Nations forums, maintain the perspective of the Organization as a whole. They have in particular a responsibility to ensure, through enhanced coordination at the national level, that the changes in mandates that they introduce in various parts of the Organization in response to changing priorities are not conflicting, do not lead to duplication and contribute to, rather than detract from, overall coherence.

10. To have real impact and lasting results, Secretariat restructuring must also go hand in hand with the restructuring of the intergovernmental machinery. The Secretary-General hopes that current efforts aimed at streamlining the structure and improving the effectiveness of deliberations of intergovernmental bodies, including those relating to the functioning of the Economic and Social Council, the reform of the governance of operational activities and the streamlining of the subsidiary machinery of the Trade and Development Board, will be pursued further, so that additional positive synergies with Secretariat restructuring may be achieved.

II. IMPLEMENTATION OF RESTRUCTURING

A. Objectives of restructuring

11. Within the overall aim of making the Secretariat more effective in responding to the priorities of Member States, the Secretary-General's restructuring initiatives had distinct aims for different sectors of the Secretariat:

(a) In the political and humanitarian sector, the thrust was to consolidate, streamline and enhance capacity;

(b) In the economic and social sector, the thrust was to build unity, increase linkages and rationalize and simplify the work of the Organization;

(c) As regards administration and management, the thrust was to integrate, minimize levels of management and clarify policy and operational responsibilities.

12. Restructuring initiatives in the political and humanitarian areas were made necessary by the dramatic changes in the international scene following the end of the cold war and the concomitant major expansion in United Nations political and peace-keeping activities. In response to those changes, the Secretary-General took steps aimed at strengthening the focus of the political work of the Organization and at increasing its capacity to respond in a coordinated and effective manner to emergencies, whether political or humanitarian. The work of the Secretariat in those areas, which was dispersed in a large number of offices and units, is now consolidated in three departments: the Department of Political Affairs, Department of Peace-keeping Operations and the Department of Humanitarian Affairs.

13. Another key aim of the restructuring exercise was, in the words of the Secretary-General, to build a greater unity of purpose for the economic, social

and environmental sectors of the Organization (see A/47/PV.52, p. 12). The Secretary-General added (ibid.):

> "My managerial strategy will be to define clearly those tasks for development and cooperation that should be carried out by the Organization itself within the system of specialized agencies and institutions. In the first instance I am moving to determine those functions that should be carried out here at Headquarters. I shall then proceed to decisions on a more rational distribution of responsibilities between Headquarters and United Nations centres at Geneva, Nairobi and Vienna. The relocation of activities should provide a clearer purpose for each of the United Nations programmes, as well as sharpen the substantive focus of each of the centres.
>
> "Clear lines of responsibility in a simple structure, together with steps to eliminate duplication and overlapping, can go a long way towards solving the problem of coordination."

In terms of substantive objectives, special emphasis was placed on a better integration of the economic and social dimensions of development, and on the elimination of duplication and the promotion of an integrated approach in the interrelated fields of trade, finance, investment and technology.

14. In line with that approach, new Headquarters structures in the economic and social sectors were established around three clusters of functions - policy coordination and sustainable development; economic and social information and policy analysis; and development support - and significant relocations of activities both to and away from Headquarters were effected. These included the integration into the new Department for Policy Coordination and Sustainable Development of the functions of the Social Development Division and of the Division for the Advancement of Women located at Vienna, as well as the functions of the World Food Council (WFC) secretariat located at Rome, and the transfer to the United Nations Conference on Trade and Development (UNCTAD) of responsibilities for transnational corporations and science and technology.

15. In the area of administration and management, the objective was to achieve, through the reorganization of the Department of Administration and Management, a more integrated, streamlined structure, with clear lines of responsibility. The basic elements of the new structure are now in place. The Organization's capacity for internal oversight services has also been enhanced through the consolidation of all audit, inspection and evaluation functions, and will be further strengthened through the establishment of a new Office of Internal Oversight Services as mandated by the General Assembly in its resolution 48/218 B of 29 July 1994.

16. The table contained in the annex to the present report, outlines the stated objectives of the restructuring exercise and attempts to summarize the preliminary assessment contained in the body of the report of progress being made in their attainment.

B. General assessment

17. The restructuring measures introduced by the Secretary-General should be seen as part of a dynamic process in which the Secretariat, Member States and the international community as a whole interact, and one driven by many different variables. Given the rapidly changing international context and the relatively short time that has passed since the restructuring process was initiated, an assessment of impact at the present stage is bound to be somewhat tentative and limited in scope.

18. It is nevertheless possible to state that the measures introduced were both timely and necessary, and that they have resulted in a clearer delineation of tasks and functions, and are advancing the Secretary-General's overall managerial objective of making the Secretariat more effective in responding to the priorities of Member States. This is certainly the case in the political sector, where diverse Secretariat entities have been streamlined and consolidated into two departments - the Department of Political Affairs and the Department of Peace-keeping Operations - with clear functional responsibilities, and in the area of humanitarian assistance, where the coordination functions of the Department of Humanitarian Affairs are now clearly established. The same general observation applies to the economic and social sectors, at least as far as the Headquarters departments and UNCTAD are concerned, although delays in implementation have, in some areas, temporarily affected programme delivery. There is also clear evidence of progress with regard to the strengthening of linkages among the political, humanitarian and economic and social aspects of the work of the Organization.

Political and humanitarian sectors

19. As noted above, progress has been made in the consolidation, streamlining and enhancement of Secretariat structures in the political and humanitarian sectors. The new structures of the Department of Political Affairs, the Department of Peace-keeping Operations and the Department of Humanitarian Affairs now in place have enabled the Organization to respond more effectively to the unprecedented demands in the areas of preventive diplomacy, peacemaking and peace-keeping. In spite of serious resource constraints and occasional coordination problems, the Organization is, as a result of the restructuring measures undertaken, better equipped to address the challenge of providing a coherent response to complex humanitarian emergencies, the magnitude of which has escalated continuously in recent years. Such emergencies increasingly require the Organization to deploy substantial numbers of military and civilian staff who are engaged in tasks ranging from traditional peace-keeping to the relatively uncharted areas of humanitarian diplomacy and human rights monitoring. This has necessitated the establishment of a strong functional interface between the institutional actors concerned - that is, between the Department of Political Affairs, the Department of Peace-keeping Operations and the Department of Humanitarian Affairs on the one hand and between the Department of Humanitarian Affairs, the Office of the United Nations High Commissioner for Refugees (UNHCR), the United Nations Children's Fund (UNICEF), and the World Food Programme (WFP) on the other - as well as with the specialized agencies and non-governmental organizations. More effective operational procedures are being put into place. It must be recognized,

however, that the exponential growth in peace-keeping, political and humanitarian missions has strained the supporting management services of the Organization to the limit. Continuing uncertainties as regards the availability of sufficient resources for the conduct of those missions has added to the precariousness of the situation. Thus, although the Organization's structures in the peace-keeping, political and humanitarian areas have been streamlined and reinforced, there obviously remains a wide gap between the unprecedented needs arising from recent humanitarian emergencies and the Organization's capacity to respond. The Organization has done what it can to fill that gap. It is, however, ultimately for the Member States to determine what that capacity should be.

20. The planning, support and logistics of peace-keeping and other field missions provide an obvious example of an area of work where much more is being done with available resources. The Organization, through the Department of Peace-keeping Operations, has been able to respond to an exponential growth in the number and size of missions, with only a very limited increase in support resources and staff. Considering that there has been an eight- to ten-fold increase in delivery over a three-year period, this is an achievement worth underlining.

Economic and social sectors

21. In relation to the Secretary-General's objective of rationalizing and of reinforcing linkages among the structures of the Organization in the economic, social and environmental areas so as to build a greater unity of purpose and enhance the coherence of the development work of the United Nations, the assessment of progress must, at the present stage, be more tentative.

22. One of the basic approaches underlying the restructuring measures introduced by the Secretary-General was that the above objectives would be advanced, and overall effectiveness strengthened, by sharpening the programmatic focus of individual entities and introducing a more clear-cut distribution of responsibilities among them, while, at the same time, promoting greater synergies between functions and activities both at the level of each entity and within the Organization as a whole.

23. Given the nature of the overall structures of the Organization in the economic and social sectors - involving some entities organized around functional lines, others around thematic lines and yet others around geographic lines - the introduction of a clear-cut distribution of responsibilities is an extremely difficult task. Further, while duplication and dispersal of resources must be avoided, some overlapping may prove useful if it contributes to addressing common, basic issues from different perspectives.

24. A significant policy contribution introduced through the restructuring process has been to identify and clarify those economic and social functions which are best performed by the central Secretariat. The resulting establishment of three new Headquarters departments - the Departments for Policy Coordination and Sustainable Development, for Economic and Social Information and Policy Analysis and for Development Support and Management Services - is in turn contributing to a more focused and effective exercise of central

Secretariat functions. It is also providing the basis for an improved distribution of responsibilities within the Organization as a whole. In the first instance, it has facilitated decisions on specific measures of decentralization from Headquarters to regional commissions as an initial step towards an improved division of labour at the global, regional and field levels. The impact of those initial measures, some of which were only very recently approved by the General Assembly, will be kept under close review, and further measures taken in that light.

25. One of the distinguishing features of the restructuring measures acted on by the General Assembly in its resolution 47/212 was that they addressed not only the central structures at Headquarters, but also extended to other global entities within the Organization at Geneva (UNCTAD), Vienna (Divisions of Social Development and Advancement of Women), Nairobi (the United Nations Environment Programme (UNEP), the United Nations Centre for Human Settlements (Habitat)) and Rome (WFC), and their relationship with regional structures. They, however, covered only to a limited degree the operational programmes of the Organization and the relationship between the operational work of those programmes and the analytical and normative functions of Secretariat entities. It is at the same time increasingly evident that the overall effectiveness of the Organization would benefit from further clarification of and closer adherence by those two sets of entities to their core functions, accompanied by measures to further the necessary cross-fertilization between them.

26. Similarly, while the rationalization of United Nations activities and functions that has taken place as a result of restructuring has undoubtedly served to strengthen the capacity of the Organization to promote the necessary coordination at the inter-agency level, the challenge of arriving at a more effective division of labour at the level of the system as a whole, including the Bretton Woods institutions, remains to be met. Relevant issues are presently being given sustained attention by the Administrative Committee on Coordination.

27. Alongside improvements in the division of labour, the promotion of greater synergies between functions and activities was, as noted above, a main aim of the Secretary-General's restructuring initiative in the economic and social sectors. Progress in that respect is, in the Secretary-General's view, essential in enhancing the impact of the economic and social work of the Organization. It is, however, extremely difficult to measure, certainly in quantitative but also in qualitative terms. The department-by-department analysis that follows nevertheless points to some specific, positive developments in that respect. Special mention might be made, in this connection, to the synergies between data collection and policy analysis being developed at Headquarters, through the Department for Economic and Social Information and Policy Analysis, which are serving to advance the Secretary-General's aim of restoring the United Nations to its position as a centre of excellence in those areas; the progressively closer integration being achieved between economic and social analysis; the synergies being created between activities relating to the follow-up to the United Nations Conference on Environment and Development and those concerning the promotion of overall policy coordination, which are helping strengthen the coherence of the support being provided by the Secretariat in those areas, through the Department for Policy

Coordination and Sustainable Development, to relevant intergovernmental bodies; and the stronger critical mass now available to the Organization to support international economic cooperation and development in the interrelated areas of trade, finance, investment and technology, through the consolidation in UNCTAD of functions previously performed by the Centres for Science and Technology for Development and on Transnational Corporations of the Secretariat.

28. In the same context, measures are being taken to establish or reinforce internal coordination mechanisms. In addition to arrangements for continuing consultations among the heads of the three economic and social departments at Headquarters, reference should be made, in this connection, to the periodic meetings of the executive secretaries of the regional commissions, which are now held under the chairmanship of the Secretary-General, and with the participation of the heads of the United Nations programmes and entities interacting with them. The results of those meetings are being reported in detail to the Economic and Social Council.

29. The practice has also been resumed of periodic meetings of United Nations senior officials in the economic and social fields, also under the chairmanship of the Secretary-General. In addition to monitoring progress in the restructuring exercise itself, those meetings are addressing a range of key issues affecting the coherence of the development work of the Organization, from consistency in economic and social information and the development of common approaches to global surveys, to the preparation of forthcoming conferences and the coordination of policies with regard to the mobilization of resources for development.

30. The participation in those meetings of heads of United Nations entities concerned with various aspects of emergency assistance should also serve to facilitate the coherence of policies and strategies affecting the transition from relief to rehabilitation and development. In the same context, the personal participation of the heads of all Secretariat departments in the newly established Advisory Panel on Management and Finance is serving to strengthen linkages among, and is contributing to better coordinated planning, programming and management of, the political, humanitarian and economic and social activities of the Organization.

31. As part of that effort, and in line with the renewed emphasis placed by Member States, at the last session of the Economic and Social Council, on the need for action to strengthen further the effectiveness and coordination of the United Nations machinery in the development field, the Secretary-General has recently decided to request the Administrator of the United Nations Development Programme (UNDP) to assist him in ensuring policy coherence and enhancing coordination within the United Nations itself, in particular among Headquarters departments, the regional commissions and the funds and programmes of the Organization. The Secretary-General has further decided to entrust the Administrator of UNDP with overall responsibility for assisting him in improving the coordination of operational activities for development, including the strengthening of the resident coordinator system.

32. Finally, with regard to budgetary aspects, while at the present stage it is difficult to quantify the specific economies that have been achieved in the

economic and social sectors through restructuring, it can certainly be stated that the measures of consolidation and streamlining that have been introduced have made it possible to avoid potentially significant additional costs by enabling the Secretary-General to provide, by and large within available resources, for major new mandated activities, including the secretariat capacity for the follow-up to the United Nations Conference on Environment and Development and for preparations for major forthcoming conferences. Equally important, in terms not only of contributing to policy coherence but also avoiding potential future additional costs, the establishment of separate secretariat structures for those purposes has been avoided.

33. Thus, more focused Secretariat entities and programmes are in place in a number of key economic and social areas and the potential now exists for further progress in the development of a more unified policy framework to enhance the impact of the development activities of the Organization. While a strong, common orientation to guide the overall thrust of the work of the Organization - a common culture and a sense of belonging to a single unified programme - in the economic and social sectors of the Organization is not yet fully in place and remains, as such, a long-term objective, the restructuring measures that have been introduced and the follow-up actions currently under way constitute necessary initial steps in that direction. Progress in the development of an agenda for development (A/48/935), and the network of global conferences currently in preparation following the United Nations Conference on Environment and Development, can make a major contribution to advancing that objective.

Administration and management

34. The basic elements of a new streamlined structure in the Department of Administration and Management are now in place. The process of modernizing management practices - an essential underpinning of any credible reform effort - still needs priority attention, with particular emphasis on the delegation of authority in both financial and personnel administration. The report of the Secretary-General on accountability and responsibility (A/C.5/49/1) describes the measures the Secretariat is introducing to improve the management culture of the Organization. The Secretary-General is concerned that over the years the system of rules, procedures and bureaucratic practices that underlies that culture has been allowed to impair the efficiency of the Organization. It functions today under a regime of control from the top rather than one of decentralized operational responsibility. The introduction of new management approaches will take time and will require a complete overhaul of existing rules and regulations. Training programmes for staff need to be revamped. In this connection it should be noted that the quality and quantity of training being offered not only to senior managers but also to the staff at large have fallen well below what should be expected in a large international organization, and comparisons with other organizations of the United Nations system, and in particular with the Bretton Woods institutions, only reinforce this point. This has seriously affected the Organization's resilience, that is, its capacity to adapt to new demands and challenges. Initial steps have already been taken to improve the quality of training for senior managers and to expand training at all levels, but much more needs to be done. The Secretary-General also remains committed to the establishment of an integrated system of skills training for

all categories of staff, including training for staff to be deployed to peace-keeping and humanitarian missions.

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35. An important and positive, though indirect effect of restructuring should be noted. The rationalization and consolidation of Secretariat structures accomplished in the context of the restructuring exercise has greatly facilitated the task of developing a leaner, more consolidated format for the next medium-term plan. By introducing a greater congruence between programmatic and organizational structures, the new format will, in turn, make it possible to identify more clearly where responsibility for the delivery of programmes, and for achieving the results that they are meant to produce, lies and thus promote greater accountability within the Secretariat. This aspect is dealt with in more detail in the report of the Secretary-General to be submitted to the General Assembly at its forty-ninth session containing his proposals on the prototype of a new format for the plan (A/49/301).

C. Problems encountered in the process

36. The restructuring initiated by the Secretary-General has been affected by a number of factors and constraints that deserve to be highlighted and carry some lessons for the future.

37. The first factor relates to the programmatic and budgetary parameters within which the exercise was conducted: restructuring had to be pursued within existing resources and without prejudice to mandated programmes and activities. Thus, while its underlying rationale was to contribute to a process of change and adaptation of the Organization to meet new challenges and realities, the exercise had, of necessity, to take place in a context that allowed little room for recasting activities.

38. Furthermore, to the extent that many restructuring measures were aimed at integration and coherence, they could not easily be reflected in the rather compartmentalized, sector-oriented structure of the current programme budget. This issue can only be addressed at the origin, that is, in relation to the medium-term plan, which determines the structures of the programme budget. As noted in paragraph 35, the new proposed format for the medium-term plan should greatly facilitate that task.

39. The process also brought to light other broader issues in the dialogue between the Secretary-General and Member States. While it is the prerogative of Member States to set the objectives and orientations of programmes, it is the responsibility of the Secretary-General to put in place the best structures and means to carry out those programmes. These are distinct responsibilities, which must, however, be exercised in a mutually reinforcing way. Ensuring that the executive functions of the Secretary-General and the legislative functions of the governing bodies are fully exercised and effectively support each other, is not easy and indeed becomes even more difficult in a rapidly changing situation, with pressing needs emerging and constantly new demands being placed on the

Organization. It is, however, an essential objective, which should be pursued both in the present assessment phase and in continuing the reform effort.

40. The Secretary-General considers one of his basic responsibilities to be the need to alert Member States when new situations arise that require a rapid response by the Organization through reorientation of programmes or resources, whether in the political, humanitarian or economic and social areas. It is difficult to reconcile a timely exercise of those responsibilities with the timetable and some of the rigidities that presently govern the planning and programme budgeting process. It is to be hoped that the renewed attention being given at present by Member States to the functioning and streamlining of that process will result in improvements that will make it possible in the future to make a more effective and systematic use of the programme planning documents, both as the main vehicle for pursuing the reform effort and for the assessment by Member States of the effectiveness of the Organization and its responsiveness to changing requirements.

41. The experience so far in the restructuring process has also highlighted difficulties inherent in conveying the message of the objectives and rationale of the exercise within the Secretariat. Staff reactions were, to some extent, affected by past experiences where restructuring was often equated with retrenchment. However, those reactions were also a reflection on the culture of the Organization - ingrained procedures and routines breed resistance when new ways of doing things or of conceptualizing issues appear on the horizon. Change is always unsettling. More needs to be done to prepare managers and the staff at large for change. The present bureaucratic practices of the Organization do not lend themselves to innovation. Greater flexibility will have to be introduced at all levels, including through a system of reasonable rotation/mobility, which will allow the Organization to respond effectively to new demands. The Organization's ability to introduce profound changes in the prevailing managerial style is key to its ability to meet the challenges of the twenty-first century.

42. As previously noted, the restructuring had to be effected within available resources and with existing staff. This meant that in some cases staff were deployed to perform different functions for which they might not have been fully qualified. The scarcity of resources for training and retraining compounded the difficulties involved.

43. The process also met with a number of "housekeeping" problems. The transfer of a sizeable number of staff to and away from Headquarters in New York, and more recently the transfer of resources and staff to the regional commissions, was not without difficulty. Problems were also experienced in reabsorbing General Service staff whose units had been relocated. The lack of sufficient office space for units being transferred in particular to New York and Geneva also hampered the smooth transition. Those problems, as explained in the next chapter of the report, though resulting in some initial delays and distortions, have not significantly affected programme performance and have by and large been overcome.

44. Over time, if the reform effort that has been initiated is to have a lasting impact, ways must be found to match the ever-growing demands on the

Organization - the area of peace-keeping being an obvious example - with the corresponding financial, human and material support from Member States. Reviews by legislative bodies of the Secretariat's budget submissions have tended to focus on the quantity of resource inputs rather than on the qualitative value to Member States of the Organization's outputs. In many instances, more and more data and analysis are requested without regard to workload demands. It may well be that programme managers have not effectively made their case, but it is clear that the Organization collectively must bridge the growing gap between mandates and resources if the reform effort is to be sustained, and if its programmes - and credibility - are to avoid irreparable damage.

III. IMPACT OF RESTRUCTURING

A. Political, peace-keeping and humanitarian functions

45. Preventive diplomacy and peacemaking are the most cost-effective ways of supporting international peace and security, and preventing the suffering, destruction and humanitarian tragedies that inevitably occur when disputes degenerate into armed conflict or civil war.

46. In the past three years there has been an explosion in the number and size of United Nations peace-keeping operations: in 1991 there were some 11,000 military and 1,400 civilian personnel deployed on United Nations peace-keeping missions. The corresponding figures for 1994 are estimated at close to 100,000 and 6,500 respectively.

47. In addition to quantitative growth, those operations have also undergone major qualitative changes. The type of conflict in which the United Nations is asked to intervene is increasingly one that takes place within the borders of a country, often accompanied by a humanitarian emergency, and sometimes a breakdown of law and order and of state structures. Peace-keeping missions are thus moving increasingly beyond their traditional functions of monitoring, observing and supervising agreements and cease-fire lines. Their mandates now may cover responsibilities such as disarmament and demobilization of combatants, the coordination and even an active role in the delivery of humanitarian assistance, human rights monitoring, electoral verification and direct support to governmental functions (e.g. civilian police).

48. Furthermore, in several situations - notably in Somalia and the former Yugoslavia - the United Nations has been given enforcement authority under Chapter VII of the Charter. The coexistence in the same geographical area of operations under Chapter VII, and of United Nations humanitarian activities aimed at providing neutral and impartial assistance to the victims of conflict has created a new and delicate situation where a fine line may exist between the enforcement and humanitarian mandates of the Organization.

49. Operating in zones of conflict has also meant exposing United Nations military and civilian personnel to significant security risks. While efforts are constantly made to keep those risks to a minimum, the Secretary-General must nevertheless express his serious concern at the deterioration of security: in 1992 and 1993, 256 peace-keepers and 33 United Nations civilian staff members

lost their lives in the line of duty. The Secretary-General would like to pay tribute to the courage and dedication of United Nations staff who accept to give a concrete meaning to the ideals of the Charter by risking their lives in the field.

50. The above considerations provide the rationale of the restructuring of the Organization's capacity in the interlinked areas of preventive diplomacy, peace-keeping, humanitarian activities and human rights. The main changes introduced in the structure and functioning of the Secretariat entities concerned are outlined below, together with an indication of their effectiveness and impact. Their programmatic justification was also dealt with in the introduction and the body of the proposed programme budget for the biennium 1994-1995. 2/

1. Department of Political Affairs

51. In March 1992, the Secretary-General established the Department of Political Affairs in order to enhance the Organization's capacity to provide good offices and for preventive diplomacy and peacemaking. It incorporated five former departments and offices dealing with political affairs and the servicing of a number of United Nations principal organs and subsidiary bodies. The Department was initially headed by two Under-Secretaries-General, each with geographically defined responsibilities and functions. As a further step towards streamlining and consolidation, the two parts of the Department were merged a year later under the direction of a single Under-Secretary-General, supported by two Assistant Secretaries-General.

52. The Department is entrusted with three basic functions. The first core function is to support the Secretary-General in the discharge of his global responsibilities for preventive diplomacy and peacemaking in accordance with the relevant provisions of the Charter and under the mandates given to him by the General Assembly and the Security Council. This involves the collection of information about actual or potential disputes and conflicts, analysis of that information to identify situations in which the United Nations could usefully take action, advising the Secretary-General on what form that action should take, preparing the necessary reports to the relevant intergovernmental bodies and implementing the approved policy. Through the provision of briefing notes, background papers and other services, the Department also assists the Secretary-General in his relations with Member States.

53. Following the merger of the two parts of the Department under one Under-Secretary-General, responsibility for this core function, which also involves cooperation with regional organizations, is entrusted to six regional divisions (two for Africa, two for Asia, one for the Americas and one for Europe). Each division is headed by a director who reports to one of the two Assistant Secretaries-General in the Department.

54. This reorganization has improved programme delivery in the following ways:

(a) It ensures clear and consistent chains of command and a more systematic and focused exercise by the Secretariat of its preventive and peacemaking functions;

(b) It allows, through the two Africa divisions, for more adequate coverage of the fast-developing and dramatic changes taking place in Africa, and for more effective political support to the United Nations peace-keeping operations deployed in that continent;

(c) It ensures a clear allocation of responsibility for each country, regional organization and situation, thus facilitating the Department's interaction with other units in the Secretariat (especially the Departments of Peace-keeping Operations and Humanitarian Affairs), the programmes, funds and specialized agencies of the United Nations system, representatives of Member States and the non-governmental organizations and academic communities, all of which are important sources of the information and analysis required by the Department;

(d) It provides for an adequate number of officials to handle the considerable volume of consultation with Member States at the senior level, which are an important and necessary part of preventive diplomacy and peacemaking;

(e) It permits, through a "desk" structure organized on a country-by-country basis, in-depth analysis of situations, which in turn facilitates the preparation of comprehensive briefing material for the Secretary-General.

55. The second principal function of the Department of Political Affairs is the provision of secretariat services to the General Assembly, the Security Council, the Trusteeship Council and a number of related intergovernmental bodies. This function is entrusted to two divisions, one for the General Assembly and Trusteeship Council and related bodies, and the other for the Security Council and its subsidiary organs, each headed by a director reporting to one of the two Assistant Secretaries-General. In the transitional phase, this reorganization and the accompanying reduction in the number of senior officials directly assigned to these servicing functions led to some difficulties. It is expected that when the Department is at its full strength there will be no adverse effect on programme delivery and that the reorganization will serve to enhance the quality and consistency of the support being provided to the relevant intergovernmental bodies.

56. The third core function of the Department is carried out by the Centre for Disarmament Affairs, headed by a director who reports directly to the Under-Secretary-General. The Centre has been reorganized and streamlined in order to increase its efficiency and to further the integration of its activities with those of the other divisions in the Department dealing with preventive diplomacy and peacemaking. This in turn has made it possible for the Centre, which was previously headed at the Under-Secretary-General level, supported by several directors, to continue to carry out its established functions without adverse impact on programme delivery, and to assume the new,

additional responsibilities entrusted to it, chiefly those relating to the Register of Conventional Arms.

57. During the cold war period, several of the political functions that have been incorporated into the Department were largely polarized and could only be exercised in a somewhat reactive way. The structural changes outlined above have contributed to enhancing efficiency and responsiveness, and the capacity of the Secretariat to take on a more proactive role in the areas of preventive diplomacy and peacemaking. They have, however, also brought to light some of the constraints and administrative difficulties that are being faced in realizing the objectives underlying the restructuring effort. In particular, it became evident in the implementation phase that the knowledge and skills of some of the staff in place in the various units did not necessarily match the new mandate and requirements of the Department. Corrective actions in that respect were, and continue to be, constrained by the rigidity of existing personnel and financial rules and practices. The introduction in the Secretariat of more proactive human resource management practices and a substantial upgrading of training and retraining, including training of managers in the planning and management of change, appear increasingly to be necessary conditions for the restructuring efforts in this and other areas to succeed fully.

2. Department of Peace-keeping Operations

58. The need for structural change to enable the United Nations to respond to new challenges and take on new tasks is especially well illustrated by the dramatic evolution of its peace-keeping activities. At the end of 1991, there were some 11,000 United Nations peace-keepers in the field. It is estimated that at the end of 1994 there will be close to 100,000. In response to the major expansion of the peace-keeping activities of the Organization, the Department of Peace-keeping Operations was established, incorporating the functions of the former Office for Special Political Affairs, as part of the first phase of restructuring.

59. It is difficult to overestimate the complexity of managing and providing executive direction to the Organization's world-wide peace-keeping operations. This is especially true in light of the profound changes in the character of those operations: complicated military tasks often in civil war situations now need frequently to be complemented by measures to strengthen national institutions, protect human rights, organize elections and promote economic and social development.

60. In order to enhance the capacity of the Department of Peace-keeping Operations to plan, manage and direct the numerous and increasingly complex field operations established by the Security Council and the General Assembly, its staff resources have been strengthened and its internal structures reorganized. The transfer of the Electoral Assistance Division from the Department of Political Affairs to the Department of Peace-keeping Operations has consolidated operational responsibilities in the latter. Two offices, each headed by an Assistant Secretary-General, have been created: an Office of Operations and an Office of Planning and Support. The Office of Operations is responsible for the day-to-day executive direction of peace-keeping operations

and other field missions, as well as for the implementation and coordination of electoral assistance projects, while the Office of Planning and Support is responsible for all technical matters, including staffing, finance, logistics and procurement related to the planning and support of peace-keeping operations and other field missions. In addition to defining and coordinating the development of plans for peace-keeping operations and other field missions, the Office of Planning and Support is also responsible for civilian police, de-mining and training activities.

61. New units have been established within the two Offices, as well as within the Office of the Under-Secretary-General. An important innovation in April 1993 was the establishment of the Situation Centre, which operates around the clock. In the absence of the posts required, the Situation Centre is staffed mainly by military officers on loan to the Secretariat from Member States at no cost to the United Nations. Its role is to improve communications with United Nations operations around the world. It also assists other departments, including the Department of Humanitarian Affairs and the Office of the United Nations Security Coordinator, in discharging their responsibilities relating to field missions.

62. In late 1993, the nucleus of a Policy and Analysis Unit was also established. The Unit acts as a think-tank, providing in-depth analysis of policy questions within the Department's sphere of responsibility. It also gathers and assesses relevant studies and reports undertaken by intergovernmental, regional, national or non-governmental organizations, maintaining liaison with counterparts from Member States and with scholars and independent policy analysts in research institutions and foundations. When the Unit becomes fully operational, it will assist in analysing selected operations in order to evaluate the results achieved, the lessons learned and the policy and doctrinal implications for future operations.

63. The rapid growth of peace-keeping activities has strained the supporting management and administrative capabilities of the Organization to the limit. After a careful review of the support services required, it was decided to consolidate in the Department of Peace-keeping Operations the responsibility for the direction and support of all field operations. The integration into the Department of the division handling administrative aspects of field operations in the Department of Administration and Management (the Field Operations Division, renamed the Field Administration and Logistics Division), is contributing to more coherent overall planning and management of field operations and has helped streamline channels of communication between Headquarters and the field.

64. A Mission Planning Service has also been established in the Department. It works in close cooperation with other units of the Department, specialists from other departments of the Secretariat, as well as the specialized agencies and non-governmental organizations, to design carefully integrated (civilian and military) plans for complex, multidimensional operations. Staff from the Mission Planning Service participate in technical missions sent in advance of an operation's establishment and will be involved in the initial phase of setting up in the field the missions they have planned. The Service's first major task has been to prepare a detailed plan for the United Nations Angola Verification

Mission (UNAVEM) III, which will enable the United Nations to deploy the Mission without delay once a political settlement has been reached and the required troops and logistical resources have been made available by Member States. This capability for advance preparation, together with the recently introduced stand-by arrangements concerning equipment and personnel, should lead ultimately to qualitative improvements in the Organization's ability to respond quickly in order to assist the parties to a conflict to implement negotiated agreements.

65. A discrete function of the Mission Planning Service is the establishment and management of a system of national stand-by forces and other capabilities to be maintained by interested Member States at an agreed state of readiness as a possible contribution to United Nations peace-keeping operations.

66. Within its limited resources, the Department works to promote standardized peace-keeping training among the many and diverse troop-contributing countries. For those tasks, a small Training Unit was established in 1992. It develops and makes available to Member States curricula for personnel at different levels, designs and updates training manuals, and keeps a current directory of existing peace-keeping training centres and the courses they offer.

67. The role of civilian police components has become increasingly important in many field operations. As at 31 July 1994, a total of 1,915 civilian police officers were engaged in United Nations peace-keeping operations. In order to provide the Department with the expertise required to provide effective headquarters management of those activities, a Civilian Police Unit was established in 1993. In addition to advising the Department and field missions on operational police matters, the Unit is developing guidelines for the employment, conditions of service, training and administration of civilian police in peace-keeping operations.

68. Mine-clearance has become an increasingly important operational task in many countries in which there are United Nations peace-keeping operations. The United Nations has been required to carry out de-mining activities both as an operational necessity and as part of the overall mission of the peace-keeping operation. Since its establishment in 1992, the De-mining Unit, which works in close cooperation with the Department of Humanitarian Affairs, has enabled the Department to provide more effective Headquarters management of these activities. It gives technical support for de-mining activities and operational planning in both peace-keeping and humanitarian missions.

69. With the constant growth in the number, size and complexity of United Nations peace-keeping operations, demands on the Department continue to multiply. The Department has managed a prudent and gradual expansion in order to meet those demands in a coherent manner. The restructuring process as it affects the Department is in many ways still in progress and accordingly its impact on programmes cannot yet be assessed in a definitive way. It is at the same time clear that without restructuring the expansion in programme delivery that has taken place in the Organization would not have been possible. From a qualitative point of view, the past year has witnessed significant improvements in the Organization's capacity to plan, direct and support peace operations, which may be expected to be pursued in the period ahead.

70. The main aim of Secretariat restructuring in the peace-keeping area was to enable the Organization to cope with the major expansion of activities and demands. As such, it did not and could not have the immediate achievement of economies as its goal. While great care was taken to use resources efficiently, the primary objective of the effort was the building up of the capabilities of the Department. Nevertheless, some minor savings were achieved by not filling posts immediately after their creation, since it was considered imperative not to compromise on the quality of staff. In addition to resource constraints, including staff shortages in certain areas, insufficient funds for equipment and programmes (e.g. training), and the inadequate office space situation, problems to be resolved in the near future include the still insufficient procurement capacity at Headquarters, the inadequate communications infrastructure in some missions as well as between missions and Headquarters, and the improvement of controls and accountability in the field.

71. With the rapid expansion in the demands originating from an increasing number of complex peace-keeping operations, it is essential to place the Department's capabilities on firm and durable foundations. There is need for a further strengthening of the Department at Headquarters and for a marked streamlining in procedures for acquiring and deploying resources. The role of Member States in the provision or financing of those resources will remain crucial.

3. Department of Humanitarian Affairs

72. The central role of the United Nations in the coordination of humanitarian assistance was recognized by the General Assembly in its resolution 46/182 of 19 December 1991 on the strengthening of the coordination of humanitarian emergency assistance. In accordance with that resolution, the Secretary-General appointed an Emergency Relief Coordinator with overall responsibility for the coordination of all emergency relief activities undertaken by the organizations of the United Nations system. A Department of Humanitarian Affairs was established on 1 April 1992 through the consolidation of existing offices dealing with disaster relief and complex emergencies. The new Department absorbed the functions performed by the United Nations Disaster Relief Office, the Unit for Special Emergency Programmes and various units dealing with emergencies and humanitarian assistance programmes. In 1993, in the context of the second phase of restructuring, responsibility for the Chernobyl programme was also assigned to the Department.

73. The overall purpose of these measures was to facilitate a coordinated and effective response by the United Nations, and the system as a whole, to emergencies, including complex emergencies involving political, military, humanitarian and other dimensions, as well as natural and man-made disasters.

74. The Department has taken the lead in organizing inter-agency assessments of humanitarian needs, in coordinating the preparation of consolidated United Nations appeals for humanitarian contributions, in tracking humanitarian contributions and in providing critical emergency information to United Nations agencies, donor Governments and non-governmental organizations. Considerable progress has also been made in providing consistent and proactive support to

field-level coordination, which is critical to an integrated United Nations response, particularly in the vital early stages of an emergency. The establishment of the Inter-agency Standing Committee, the main forum for policy formulation and coordination on humanitarian assistance, under the chairmanship of the Under-Secretary-General for Humanitarian Affairs, has provided for more intensive cooperation with the operational entities of the United Nations, thus ensuring an effective, harmonized and timely response to emergencies. Provision has been made for contingency funding, through the Central Emergency Revolving Fund, to ensure that adequate resources are available for use by United Nations operational organizations in the crucial initial phase of emergencies.

75. In a global situation marked by a dramatic increase in major and complex emergencies, it was necessary for the Organization to reassess its capacity to respond to crises. The establishment of the Department has introduced a stronger advocate for the humanitarian mandate of the United Nations and has facilitated the analysis of a broad range of basic issues relating to humanitarian principles and mandates, including the important interrelationship between humanitarian activities and those relating to peacemaking and peace-keeping, the protection of the humanitarian mandate in conflict situations as well as the effects of sanctions on humanitarian assistance. The Department has exercised humanitarian diplomacy to protect the fundamental right of conflict-affected peoples to receive humanitarian assistance and, in that context, to secure, through negotiations with parties in conflict, access by relief organizations to the affected population. It is also paying increasing attention to promoting a timely transition from relief to rehabilitation and development, and in ensuring that emergency assistance is provided in ways that are supportive of recovery and long-term development.

76. Centralized mechanisms established by the Department to strengthen the stand-by capacity of the United Nations for emergency response include the United Nations Disaster Assessment and Coordination Stand-by Teams to assist national authorities in determining needs for and coordinating assistance in major sudden emergencies; a centralized emergency information management system to support the expeditious delivery of emergency humanitarian aid; the International Emergency Readiness and Response Information System for coordination and dissemination of disaster and emergency information; an early warning mechanism, with critical indicators for determining potential emergencies; and a comprehensive emergency management training programme.

77. A new problem with which the international community has had to cope is the widespread presence of land mines in countries that are or have been affected by conflict. Such land mines have created a problem of enormous proportions with security, health, socio-economic and major humanitarian implications, impeding the delivery of humanitarian assistance and a return to normal conditions in many countries. The Department of Humanitarian Affairs was designated by the Secretary-General as the focal point on land mines. The Department works closely with the Department of Peace-keeping Operations and humanitarian organizations to address issues arising as a result of the presence of land mines in countries requiring United Nations assistance. Coordination and information capacities serving those involved in peacemaking, peace-keeping and peace-building at the Headquarters and field levels have also been established. The Department is involved in programme planning and policy formulation to

support United Nations mine clearance assistance in both humanitarian and peace-keeping operations, and also acts as humanitarian advocate on land mine issues.

78. As the advocate for humanitarian principles, the Department has emphasized the human dimension of conflict situations and ensured that humanitarian considerations are addressed in the deliberations of the relevant intergovernmental bodies. Through the Inter-agency Standing Committee and its subsidiary mechanisms, under the leadership of the Emergency Relief Coordinator, it has focused on the coordination of policy matters relative to the United Nations system's overall capacity to address humanitarian needs effectively.

79. Recently, the internal structure of the Department of Humanitarian Affairs has been further reviewed in the light of experience, and its capabilities for responding to complex emergencies was consolidated into a single, unified desk structure under a Complex Emergency Branch in New York. That structure is intended to ensure clear lines of responsibility and accountability for addressing incipient and ongoing emergencies, on a country-by-country basis. It is also intended to enhance the Department's capacity to receive, analyse and act on early warning information, to advise the Under-Secretary-General and the Secretary-General on appropriate responses and to promote consistent and unified support to the field. It will facilitate close cooperation with the Department of Peace-keeping Operations and the Department of Political Affairs to achieve the multifaceted objectives of the United Nations in complex emergencies.

80. A capacity in those areas will also be maintained in the United Nations Office at Geneva, given the Office's proximity to many important operational agencies, the International Committee of the Red Cross (ICRC), European non-governmental organizations and a significant proportion of the donor community.

81. The restructuring has substantially improved programme delivery with respect to complex emergencies. With regard to natural disasters, programme delivery has continued at approximately the same level through structures that, by and large, have remained unchanged; improvements in programme performance are, however, expected to result from the integration of the secretariat of the International Decade for Natural Disaster Reduction into the Department and the elimination of the previous administrative separation of natural disasters from complex emergencies.

82. A number of initiatives were taken in 1994, in the framework of the inter-agency consultative mechanism, to strengthen field coordination capacities, develop a resource mobilization strategy and to enhance horizontal cooperation between the humanitarian, political and peace-keeping components of the United Nations system, which should reinforce substantially the system's ability to respond in a timely and properly coordinated manner.

83. In sum, as a result of the establishment of the Department, a number of mechanisms and tools have been developed or strengthened to enhance the system's capacity for effective response to emergencies:

(a) A quick action response capacity, including the immediate deployment of experienced emergency teams to the affected countries, has been established to ensure rapid, sector-specific assessments of emergency situations and coordination of immediate response;

(b) Guidelines for the preparation of consolidated inter-agency appeals have been developed to ensure consistency, effectiveness, field-orientation and priority focus of such appeals;

(c) A Central Emergency Revolving Fund has been established to provide resources for use by operational organizations during the critical early stages of emergencies;

(d) The United Nations role with respect to humanitarian advocacy and policy coordination has been enhanced; in particular, the Secretariat's capacity to address key issues emerging from the provision of humanitarian assistance - such as access to victims, security of personnel and relief supplies, humanitarian imperatives in conflict situations, special needs arising from sanction regimes, transition from relief to development, demobilization and reintegration of combatants, and the resettlement of internally displaced persons - has been strengthened;

(e) Mechanisms have been developed for strengthened coordination and effectiveness in the response to land mine problems, and a land mine database has been established. Working closely with the Department of Peace-keeping Operations and other concerned departments, agencies and organizations, technical requirements and paradigms for mine assistance programmes are being established.

84. It is difficult to quantify savings generated by the restructuring. There is little doubt, however, that the coordination mechanisms described above have resulted in economies in the implementation of the humanitarian emergency activities of the United Nations system. Operational organizations have adopted a joint approach to needs assessments and appeals, thereby reducing duplication of efforts and resources while facilitating a systematic, timely and coherent response to emergencies.

85. A number of constraints remain. Increasingly, the Department has had to draw on its dwindling extrabudgetary resources to meet existing challenges and to finance its core staff. The Economic and Social Council, in its agreed conclusions on coordination of humanitarian assistance adopted at its substantive session of 1993, 3/ recognized that constraint and highlighted the need to provide the Department of Humanitarian Affairs with regular budget staffing and administrative resources commensurate with its responsibilities.

86. In addition, the General Assembly, in its resolution 46/182 (annex, para. 29), decided that special emergency rules and procedures should be developed by the United Nations to enable all organizations to disburse quickly emergency funds, and to procure emergency supplies and equipment, as well as to recruit emergency staff. Pending the development of such emergency rules and procedures, consideration is being given to more appropriate delegation of authority, and to a streamlining of existing administrative and financial

procedures in order to accommodate the exigencies and special requirements of emergency programmes.

4. Human rights

87. The World Conference on Human Rights, through the Vienna Declaration and Programme of Action, 4/ has provided the United Nations with clearly stated objectives and a framework for action in the field of human rights. One of the principal results of the World Conference has been the establishment by the General Assembly, in its resolution 48/141 of 20 December 1993, of the post of High Commissioner for Human Rights, as the official with principal responsibility for United Nations human rights activities. His mandate includes promoting and protecting the effective enjoyment of all human rights, including the right to development; providing, through the Centre for Human Rights and other appropriate institutions, advisory services and technical and financial assistance in human rights; coordinating education and information activities in human rights; establishing a dialogue with Governments, and playing an active role in preventing and bringing human rights violations to an end; enhancing international cooperation, and coordinating the human rights activities of the United Nations system; adapting, strengthening and streamlining the United Nations human rights machinery; and providing overall supervision of the Centre for Human Rights.

88. The endorsement by the General Assembly at its forty-eighth session (resolution 48/121 of 20 December 1993) of the Vienna Declaration and Programme of Action and the subsequent creation of the post of High Commissioner for Human Rights (see para. 87 above) have resulted in a significant shift in the Secretariat's work in the field of human rights.

89. Thus a significant strengthening of advisory services and technical assistance programmes is taking place, particularly in the areas of building national human rights infrastructures, the conduct of free and fair elections, the administration of justice and the training of law enforcement officials. A growing number of assessment missions to prepare overall country assistance programmes are being organized. The out-posting of staff to provide advice and assistance to Governments and, where appropriate, regional human rights organizations, in implementing human rights programmes, is also increasingly being requested. In that connection, cooperation is being strengthened in appropriate areas with the Departments of Humanitarian Affairs, Political Affairs and Peace-keeping Operations.

90. The system-wide mandate of the High Commissioner, the call in section II.A of the Vienna Declaration for high-level, inter-agency consideration of human rights activities and the follow-up to the Administrative Committee on Coordination's conclusions at its first session in 1994 concerning the implications of the World Conference on Human Rights for the work of the United Nations system, 5/ have resulted in a substantial increase in inter-agency coordination activities.

91. In the light of the above recommendation of the World Conference on Human Rights, consideration is being given to new ways of responding to acute

violations of human rights. In that context, an increasing resort to preventive diplomacy, at the initiative of the Secretary-General, through the High Commissioner for Human Rights, may be envisaged.

92. One of the basic objectives of the human rights programme is to render international human rights norms more operative. This requires the Organization to enter into constructive dialogue with Governments and to seek their cooperation with regard to all aspects of the promotion and protection of human rights, including strengthening national human rights infrastructures, as well as in connection with concrete situations of human rights violations.

93. The High Commissioner is accordingly giving priority to enhancing the actions of the Centre for Human Rights in those areas. It is envisaged, in particular, that the programme of advisory services and technical assistance will be strengthened and become much more field-oriented. The establishment of a human rights field office in Cambodia will be followed by the establishment of a field presence elsewhere as requested. The extra-conventional procedures and mechanisms (the so-called "special procedures") entrusted to qualified independent experts or working groups with a mandate to carry out fact-finding missions and investigations into human rights violations will also be reinforced, at least through better coordination and dialogue, and appropriate follow-up action.

94. In addition to field missions carried out on an ad hoc basis under those procedures, it has increasingly been found necessary to establish human rights verification missions on a longer-term basis, in particular in situations of armed conflict and post-conflict peace-building. There are currently two major operations being conducted, in the territory of the former Yugoslavia and in Rwanda. Another monitoring operation has been established along the borders of Iraq, with the objective of gathering information continuously and systematically from refugees and other persons leaving the country.

95. These recent developments within the United Nations human rights programme call for increased cooperation and coordination by the High Commissioner for Human Rights with all the organizations of the United Nations system carrying out human rights-related activities.

96. In sum, the specific mandate of the High Commissioner, together with the provisions of the Vienna Declaration and Programme of Action, imply a significant reorientation and expansion of the United Nations human rights programme in general, and of the activities of the Centre for Human Rights, under the overall supervision of the High Commissioner, in particular. While this, in the short term, requires the deployment of some additional resources to the Centre and the Office of the High Commissioner, it may be expected that the mandate of the High Commissioner and his coordinating role will contribute to giving the human rights activities of the system a more coherent focus, thus ensuring a more efficient use of resources and improved impact of those activities.

B. Economic and social sectors

97. In line with the approaches outlined in his note of 3 December 1992 (A/47/753), the Secretary-General initiated in 1993 a number of measures for the further restructuring of the economic and social sectors of the Secretariat, which were reflected in the revised estimates submitted to the General Assembly at its resumed forty-seventh session, in March 1993 (A/C.5/47/88), and acted on by the Assembly under the terms of its resolution 47/212 B. That restructuring involved the establishment of three new departments at Headquarters, namely, the Department for Policy Coordination and Sustainable Development, the Department of Economic and Social Information and Policy Analysis, and the Department of Development Support and Management Services, and a redistribution of activities and resources in various areas, including transnational corporations, science and technology, social development and food security, among United Nations entities at Headquarters, Geneva and Vienna. At the same time, a process was initiated for the decentralization of certain activities from Headquarters to the regional commissions. The Secretary-General's overall policy in this regard, as outlined in his annual report for 1992, 6/ was that the United Nations should become an organization that views its objectives in respect of economic and social cooperation and development with the same sense of responsibility and urgency as its commitments in the political and security area.

98. This theme was pursued in a statement to the General Assembly, delivered on 2 November 1992, where the Secretary-General referred (see A/47/PV.52, p. 12) to the need to rebuild a unity of purpose for the economic, social and environmental sectors of the Organization as the key objective of his restructuring effort. In his subsequent note (A/47/753), he outlined some of the main managerial and substantive requirements guiding his proposals, which included an improved balance at Headquarters between Secretariat structures in the political, humanitarian, economic and social fields; more manageable organizational units, with clear and distinct terms of reference and clear lines of responsibility; better and more integrated services to central intergovernmental bodies; improved capacity in terms of data and statistical support for national as well as international policy-making; and more focused technical cooperation.

99. The Secretary-General's statement and his note to the General Assembly highlighted three basic concerns the new Headquarters structure should serve to address. These were:

(a) The need to gear Headquarters structures so that they may serve to reinforce current efforts to enhance the role and functioning of the Economic and Social Council and its subsidiary machinery, and to ensure that the new Commission on Sustainable Development makes a major contribution to bolstering the Council's responsibilities to promote coherence and coordination;

(b) The need to enhance the capacity of the United Nations as a centre of excellence for the elaboration of economic and social data and the analysis of national and regional development trends and their international interactions;

(c) The need to sharpen the focus, and enhance the impact, of United Nations technical assistance to meet priority requirements of developing countries and countries in transition, in respect of institution-building and human resource development.

100. Having defined in that light cross-sectoral functions that, in the Secretary-General's view, could most effectively be carried out at Headquarters, the note set out two broad guidelines to orient the distribution of responsibilities between Headquarters and other parts of the economic and social structures of the Organization. The first was that responsibility for each sector or set of issues coming within the purview of the United Nations should, to the extent possible, be clearly assigned to, and the necessary critical mass for dealing with them concentrated in, a single unit or entity within the Secretariat, without duplication and as part of an Organization-wide strategy. The second, related requirement was that the provision of substantive support for central intergovernmental bodies should be regarded as a priority activity for all economic, social and environmental entities of the United Nations in their respective sectors, coordinated from Headquarters. Conversely, Headquarters capacities on cross-sectoral issues should be placed at the disposal, and help to orient the deliberations, not only of the central intergovernmental organs but also of the governing and other intergovernmental bodies in each of the entities away from Headquarters.

101. A little over a year has passed since action to put into place the new structures could begin, following the adoption by the General Assembly of the revised estimates submitted to it at its resumed forty-seventh session (resolution 47/212 B). The transition process met with varying degrees of difficulty: some temporary disruption of activities, particularly in areas subject to geographical relocation, was inevitable. In all affected areas, however, the new structure is now in place and the programmes have entered into a phase of consolidation.

102. One of the key objectives of the Secretary-General's restructuring initiative was that United Nations activities in the economic and social fields should function as a single integrated programme. Some of the practical measures taken in that regard are referred to above. They include very frequent, structured meetings and consultations among the Under-Secretaries-General in charge of the three new Headquarters departments and the Administrator of UNDP, which have proved to be an effective tool in coordinating policy matters as well as in carrying out specific substantive tasks, such as the preparation of key policy documents. In addition, as noted above, the Secretary-General has resumed the practice of regular meetings of senior officials in the economic and social field. These meetings bring together the Under-Secretaries-General of the three Headquarters departments, the heads of UNCTAD, UNEP and Habitat, the executive secretaries of the regional commissions as well as the executive heads of United Nations funds and programmes. They constitute a valuable instrument for an open exchange of views on the main issues confronting the United Nations in the economic and social sectors and on emerging themes. They are also intended as an instrument for management and, as such, result in practical arrangements and recommendations for consideration by the Secretary-General on policy, operational and institutional matters. In recognition of the continuing need to develop a common orientation to the

development work of the Organization, the Secretary-General, as indicated above, has recently requested the Administrator of UNDP to assist him in enhancing policy coherence in the work of the United Nations in the economic and social sectors and providing overall coordination of operational activities for development at the level of the system as a whole.

103. With regard to regional structures, a task force was established last year by the Secretary-General with a view to identifying substantive areas of activity that lent themselves to decentralization from Headquarters to the regional commissions. The task force's recommendations have led to the transfer of a number of activities and corresponding resources from Headquarters to the regional commissions in the areas of advisory services and natural resources and energy (see chap. III, sect. B.5. below). The Secretary-General is also committed to improving the effectiveness and efficiency of the United Nations development system at the country level. In that context, the Administrator of UNDP has been requested by the Secretary-General to assume overall responsibility for the strengthening of the resident coordinator system.

104. Discussions have also been initiated in the Administrative Committee on Coordination, as well as in the Inter-agency Standing Committee, on the increasingly crucial question of the transition between relief, rehabilitation and development.

105. Reference should also be made, in the same context, to the recently completed restructuring of the subsidiary machinery of the Administrative Committee on Coordination (see the annual report of the Committee for 1993), 7/ which was similarly aimed at streamlining and making the wider context of the United Nations system's activities in the economic and social field more cohesive. The restructuring of the machinery of the Administrative Committee on Coordination has, in particular, facilitated the coordination of the inter-agency aspects of the follow-up to the United Nations Conference on Environment and Development, and is contributing, through the new Consultative Committee on Programme and Operational Questions - which has succeeded the Consultative Committee on Substantive Questions - to an improved interfacing between policies and operations.

106. The following sections provide information on the impact of restructuring on the three Headquarters departments, UNCTAD, the United Nations Offices at Nairobi and Vienna and the regional commissions.

1. Department for Policy Coordination and Sustainable Development

107. The basic rationale for the establishment of the Department for Policy Coordination and Sustainable Development was set out in the report of the Secretary-General on institutional arrangements to follow up the United Nations Conference on Environment and Development (A/47/598) and in his subsequent note of 3 December 1992 (A/47/753), which referred to the desirability of a single streamlined structure that would provide a common framework for the provision of overall support to the Council on the one hand, and Secretariat follow-up to the Conference on the other. Those interrelated functions focus on the analysis and

synthesis of inputs and the provision of support for central coordinating, policy-review and policy-making functions. By placing them under common direction, a synergy should be created, which would contribute to both efficiency and overall policy coherence.

108. The central focus of the work of the new Department is therefore on providing support for the central coordinating and policy-making function, vested in the Economic and Social Council and its subsidiary bodies, including the new Commission on Sustainable Development, and in the Second and Third Committees of the General Assembly. The Department comprises:

(a) A policy development function, focusing on the integration of social as well as economic and environmental dimensions of broad policy issues on the agenda of central intergovernmental bodies in such areas as growth and adjustment, poverty, hunger and malnutrition;

(b) A clearly identifiable entity, as called for in resolution 47/191 of 22 December 1992 on the follow-up to the Conference, for monitoring the implementation of Agenda 21 8/ and providing substantive support for the Commission on Sustainable Development;

(c) A capacity for providing substantive support for the high-level, coordination and operational activities segments of the sessions of the Economic and Social Council, and for the coordination of substantive support for subsidiary bodies of the Council;

(d) Technical secretariat services to intergovernmental bodies.

109. The above-mentioned rationale and functions provide the basis for the initial assessment of impact attempted below.

110. The process of consolidation of the Department has only recently been completed. It proved to be a rather complex exercise in view of the need to conceptualize and institutionalize the extremely varied mandates of the Department in a manner conducive to optimal effectiveness while avoiding excessive structural complexity, as well as the lengthy procedures governing the redeployment (including from locations outside New York), placement and recruitment of staff, as well as the allocation of office space.

111. At the same time, the process has also provided an opportunity to rationalize activities and structures so as to enhance delivery capacity. In the case of the Division for Policy Coordination and Economic and Social Council Affairs, the consolidation of responsibility for secretariat services, policy coordination and inter-agency affairs and operational activities for development within a single division focusing on the provision of essential support services to the Economic and Social Council and the inter-agency machinery has facilitated a number of positive synergies and also, in some cases, the multiple use of staff. At the same time, the Council's role and responsibilities have expanded during the present period, with a corresponding increase in the Secretariat workload. There has thus been little possibility to take advantage of economies of scale.

112. Other major features of the process deserve to be highlighted. They include:

(a) The need to establish, largely drawing on existing resources, a totally new work programme and an entirely new division on sustainable development, including the servicing of the three new bodies - intergovernmental, inter-agency and advisory - established to follow up on the United Nations Conference on Environment and Development;

(b) The location in the Department of virtually all units transferred to New York from other duty stations (including the Division for the Advancement of Women and the Division for Social Policy and Development, transferred from Vienna and the WFC secretariat from Rome), and the resulting weighty logistical, administrative and programmatic considerations and responsibilities that devolved to the executive direction of the Department;

(c) The assignment to the Department of the responsibility for the preparation of both the Fourth World Conference on Women and the World Summit for Social Development. While distinct, small units coordinate those preparations, the respective divisions are expected to provide the main substantive backstopping for those processes and are headed by the same senior staff who supervise the units. This has necessitated significant adjustments in the work programmes of those divisions and, in the case of the Division for Social Policy and Development, significant revisions in its medium-term plan, to reflect in particular the employment, poverty and social integration focuses of the Summit.

113. The impact on 1992-1993 programme delivery has been disparate on the various divisions of the Department. While there has been no significant shortfall in programme delivery for the Department as a whole resulting from the transition phase, there was in 1993 some decline in the programme performance of the Secretariat units physically transferred from Vienna to New York. While all parliamentary documents were produced on time, discretionary outputs and the quality of the work were in some cases temporarily affected. For its part, the newly created Division for Sustainable Development was able to initiate and deliver a significant amount of work during the period, in spite of resource constraints affecting, in particular, the water and energy programmes. The division of labour with UNCTAD with regard to science and technology is being implemented pragmatically and is proving generally effective.

114. The main emphasis in the work of the Department in 1994 has been on the preparations for the World Summit for Social Development, the Fourth World Conference on Women, as well as the work programme flowing from the United Nations Conference on Environment and Development. The period of transition is now largely over and the consolidation of the Department's structures and work plans is proceeding satisfactorily, the main outstanding aspects being those stemming from continuing intergovernmental consultations with regard to WFC and successor arrangements for the Committee for Development Planning.

115. In conclusion, the following elements of progress in pursuing the substantive and managerial objectives underlying the establishment of the

Department for Policy Coordination and Sustainable Development deserve to be highlighted:

(a) A major aim of the restructuring was to facilitate the effective integration of the economic, social and environmental dimensions of development, in relation to such major policy issues as growth, adjustment, poverty, hunger, malnutrition and the advancement of women. In coordinating substantive support to the World Summit for Social Development, the Fourth World Conference on Women, and the recently concluded Global Conference on the Sustainable Development of Small Island Developing States, the Department is helping ensure that common or related issues on the agendas of those conferences will reflect an integrated perspective. The location in the Department of the Division for the Advancement of Women is also helping to ensure that gender issues permeate all aspects of policy development;

(b) The Department has been able to put in place an entirely new programme on the implementation of Agenda 21 drawing on aggregate resources that existed prior to the restructuring. Through its Division for Sustainable Development, the Department endeavours to ensure that its work programme serves to advance the overall objectives of the United Nations in the economic, social and environmental fields, while retaining the distinctive character of the follow-up to the United Nations Conference on Environment and Development;

(c) By providing a common framework for the provision of Secretariat support to the Economic and Social Council and the Commission on Sustainable Development, the Department is helping to promote synergies in the work of those bodies, in support of greater system-wide policy coordination. This is being reinforced by the assignment to the Division for Sustainable Development of responsibility for the substantive servicing not only of the Commission on Sustainable Development, but also of the Committee on New and Renewable Sources of Energy, and for the coordination of the servicing of the Commission for Science and Technology for Development and the Committee on Natural Resources.

2. Department of Economic and Social Information and Policy Analysis

116. The principal responsibility entrusted to the Department of Economic and Social Information and Policy Analysis in the context of the restructuring process was to enhance the role of the United Nations in the elaboration of economic and social data and in the analysis of development policies, trends and interactions. In addition, the restructuring allowed for the mutual reinforcement of substantive and operational activities relating to population and statistics, by assigning to the Department execution responsibilities for technical cooperation activities in those two areas.

117. The functions of the Department thus focus on:

(a) The compilation, improvement and dissemination of economic and social statistics;

(b) The monitoring and assessment, from a global perspective, of economic and social policies, including, in particular, international cooperation;

(c) The analysis of long-term social and economic trends, including population trends;

(d) The elaboration of projections and the identification of new and emerging issues;

(e) The provision of technical cooperation in population and statistics.

118. An important overall objective of the restructuring was to increase the responsiveness of the Secretariat to changing needs. The following are examples of the Department's contributions, within its mandate, to that objective:

(a) Responding to the increasingly recognized linkages and interactions between economic and social issues, in 1994 the Department issued its first World Economic and Social Survey. This new Survey encompasses the previous annual World Economic Survey but also covers selected social issues;

(b) Reflecting the increasing role of markets and of the private sector in enhancing economic efficiency and growth, the Department is strengthening its capacity for micro-economic policy analysis. This component of its work programme was endorsed by the General Assembly in 1993, and will allow the Secretariat to examine ways in which increased reliance on market mechanisms can contribute to the growth and development objectives of Member States;

(c) The Department has recently undertaken a number of activities that reflect the increasing interrelationships between the political security and developmental aspects of the Organization's work. They include assessing the impact of sanctions on third parties, analysis of the issue of coercive economic measures, analysis of the economic situation in the former Yugoslavia and the preparation of an inventory of possible post-conflict peace-building activities;

(d) The Department is strengthening its activities relating to countries with economies in transition. These activities have now been largely integrated in the statistical and information products of the Department, as well as in its analytical work;

(e) The Department has been developing concepts, methods and classifications for measuring the environmental impact of human activity and related expenditures. It has also initiated, in consultation with the Department for Policy Coordination and Sustainable Development, work on indicators of sustainable development;

(f) The Department has initiated the development of a United Nations Economic and Social Information System aimed at improving the way in which economic and social statistical data are collected, processed, stored, analysed and disseminated, thus responding to the demands of Member States for more timely, complete and reliable data, and contributing to the overall effectiveness of the economic and social work of the Organization.

119. The quality of the programmes entrusted to the Department has benefited in several respects from the synergies inherent in the conception of the Department's functions. Improvements in the collection, storage and dissemination of data are being applied to enhance research, while research findings are being utilized to upgrade data work. An example is the 1993 System of National Accounts, developed by the Department jointly with the Bretton Woods institutions, the Organisation for Economic Cooperation and Development (OECD) and the European Union (EU), which provides Member States with a framework to quantify and address such issues as sustainable development, the transition from centrally planned to market economies, poverty, inequalities in women's employment and remuneration, and the activities of the informal sector.

120. Another area of synergy lies in the links between the main substantive functions of the Department and its technical cooperation activities. The Department's advisory and training work, in addition to its primary purpose of providing high-quality expertise, is providing policy analysts and statistical and technical experts with information and fresh ideas regarding the concerns and problems of individual Member States.

121. Thus, the overall impact of restructuring on the programmes entrusted to the Department has been positive, both in relation to its ability to identify new and emerging issues within its areas of responsibility and to respond to the information and policy analysis needs of Member States, and in respect of the delivery of effective technical cooperation.

122. Although the restructuring created short-term problems for the delivery of legislated outputs in some areas, the Department's overall programme delivery for the biennium 1992-1993 was the highest among the programmes in the social and economic sectors, both overall and for activities designated as high priority (see A/49/135). These results can be explained in large part by the fact that the Department was able to maintain clear lines of programme responsibilities and also that movements of staff between functional responsibilities were rather limited.

123. The restructuring as it affected the Department may be said to have resulted in savings to the extent that the three programmes entrusted to it are currently being implemented with fewer resources than were assigned to them prior to restructuring, without any corresponding decrease in responsibilities or required outputs. In fact, in a qualitative, as well as in a narrowly defined quantitative sense, outputs have increased. For example, as with most of the Department's statistical publications, the 1994 revision of population estimates and projections includes more countries than ever before, as well as a number of other refinements in the data. A main concern in the long term, given the Department's high occupancy rate (resulting in part from the decline in overhead reimbursements and the need to absorb staff previously placed on overhead posts) is the ability to adjust the stock of available skills to new and emergency requirements. The Department's capacity to do so may well determine whether the improvements achieved so far can be sustained in the long term.

3. Department for Development Support and Management Services

124. The Department for Development Support and Management Services was established with a view to sharpening the focus of United Nations technical assistance to meet priority needs of developing countries and countries in transition in the broad field of governance and management, particularly institution-building and human resource development.

125. Thus, the primary objective of the Department is to assist Governments in establishing an enabling environment conducive to development by strengthening the institutions and human resources required for that purpose.

126. Specifically, the Department is to provide expertise to developing countries in the interrelated areas of economic management and planning, management of social development, natural resource and energy planning and management, governance and public administration, financial resource management, enterprise and private sector development.

127. In view of its location, the Department constitutes the natural link between the normative functions of the Secretariat and the operational activities funded by UNDP and other funding entities. Thus, it carries out policy analysis and substantive research and provides substantive support to intergovernmental bodies addressing issues in the above-mentioned areas, while, at the same time, translating its analytical work into operational activities and direct assistance to developing countries.

128. Finally, through the incorporation of the Office of Project Services of UNDP as a semi-autonomous entity, it was intended that the Department would provide operational and administrative services to developing countries with a view to strengthening their operational capabilities in the context of national execution.

129. The implementation of restructuring has been a difficult and complex task for the Department, involving redeployments of staff and programmes, the adaptation of the profile of its personnel to the new mandates, and the establishment of working modalities that would reflect the new multidisciplinary approach that is to characterize its activities.

130. At the same time, the Department was heavily affected by the new support cost regime and new funding policies of UNDP, which necessitated considerable reductions in staff, as distinct from the redeployments resulting from the restructuring process.

131. The resulting diminution in the staff resources available to the Department, corresponding to 29 per cent of the Department's technical and professional staffing and 32 per cent of its total staff, was reflected in a low rate (47 per cent) of delivery of programme budget outputs (e.g. expert group meetings, technical studies and reports, publications, etc.) for the biennium 1992-1993. The Department's rate of delivery of technical cooperation projects, which constitute the major portion of its activities, dropped less significantly, to 70 per cent of the authorized project budgets in 1993, as compared to 81 per cent in 1991.

132. In spite of these intervening difficulties, the Department has been able to consolidate its new structure, which is now organized into two major substantive divisions, one dealing with the management of the economy, social development and natural resource and energy planning and management, the other with governance, public management, financial management and capacity-building. This streamlined profile is facilitating the organization of technical cooperation support activities in an integrated fashion, with the participation of experts drawn from relevant disciplines. To mobilize these multidisciplinary teams, specialized focal points supported by task forces have been established and their composition adjusted to the demands and priorities of recipient countries.

133. In view of the fact that the Department's responsibilities are multidisciplinary in nature, special efforts have been made to establish linkages and cooperative arrangements with various organizations of the system. Particular emphasis is also placed on the need to draw upon the best internationally available expertise in the areas of development management, public management and other disciplines covered by the Department. To that end, special cooperative arrangements have been established with academic and research institutions and non-governmental organizations.

134. The Department is also leading the development of new approaches to the provision of assistance in the energy and natural resource sectors. As part of the decentralization process, a major portion of the responsibility for technical cooperation services in those sectors has been brought closer to the recipients through transfers of staff and resources to the regional commissions (see chap. III, sect. B.5, below). At the same time, a Natural Resources and Energy Management Board, chaired by the Under-Secretary-General for Development Support and Management Services and with the participation of the executive secretaries of the regional commissions, has been established to manage in an integrated way the overall United Nations programme in those sectors. This guarantees the maintenance of a critical mass of technical capacity and should facilitate a more efficient provision of assistance in those key sectors.

135. Had the Office of Project Services merger taken place, the Department's capability to provide assistance would have been strengthened. with the implementation capacity of the Office complementing the technical expertise of the Department for Development Support and Management Services. However, in view of the recent actions taken by the UNDP Executive Board, on the basis of a revised proposal by the Secretary-General, it has become necessary to make further adjustments in the functioning of the Department so as to introduce alternative ways of achieving those complementarities, while at the same time avoiding duplication with an independent Office of Project Services. By virtue of his chairmanship of the new proposed Office of Project Services Users' Advisory Group, the Under-Secretary-General for Development Support and Management Services will be able to continue to assist in promoting the necessary linkages between the Office of Project Services and the organizations that use its services, thereby contributing to the overall strengthening of the management of the United Nations system's technical assistance programme.

136. The establishment of the Department for Development Support and Management Services responded to the need for a multidisciplinary Secretariat entity that would focus on assisting Member States in creating the necessary conditions for

successful developmental initiatives. Strong and efficient institutions and competent human resources able to manage effectively the development process are recognized as critical needs by both developing countries and countries in transition.

137. The profile of the Department is being progressively adapted to meet those needs, through advisory services, the conduct of diagnostic and needs assessment exercises, "upstream" analytical activities and the provision of technical support to relevant programmes and projects. Increasing numbers of requests for assistance addressed to the Department in those areas confirm that there is a substantial demand for the type of services it was established to provide. Indeed, demands far outweigh the Department's present capacity to respond.

138. The Department's focus on institution-building and human resource development also makes it a suitable focal point to respond to growing needs for the provision of assistance to distressed countries as they emerge from conflict or from humanitarian emergencies, in order to lay the groundwork for long-term stability. This could entail the provision of assistance for the restoration and development of governmental and administrative capacity, the restoration of services, the reconstruction of the social fabric and the integration of social groups into society. The Department is consulting with other relevant United Nations entities in order to define the contribution it can make to those ends.

139. Consideration is also being given to ways of enhancing the administrative and financial flexibility granted to the Department in order further to improve the rapidity and cost-effectiveness of its operations.

4. United Nations Conference on Trade and Development

140. The main objective of the deployment to UNCTAD of the programmes on transnational corporations and science and technology was to reflect in a more effective way in United Nations structures the growing interplay between trade, investment, technology, services and their financial underpinnings. The need to address those issues in an interrelated way has been widely recognized in United Nations intergovernmental forums, including the General Assembly and the Economic and Social Council, as well as the International Monetary Fund (IMF) and the World Bank.

141. In the revised estimates for the programme budget for the biennium 1992-1993, submitted to the resumed forty-seventh session of the General Assembly, in March 1993, the Secretary-General noted (A/C.5/47/88, para. 33), that the dispersion of activities that characterized United Nations structures in those areas had tended to dilute their impact, and considered that their consolidation in UNCTAD would eliminate overlap and would broaden the base, and enhance the quality, of the substantive support to be provided in those areas to Member States and the relevant intergovernmental bodies. Full account was taken in that context of the far-reaching reforms introduced in the functioning and structure of UNCTAD by the eighth session of the Conference, held at Cartagena de Indias, Colombia, in February 1992, and of the provisions of General Assembly resolution 47/183 of 22 December 1992, which, inter alia, reaffirmed that UNCTAD is the most appropriate focal point within the United Nations for the integrated

treatment of issues in the areas of trade, finance, investment, technology and services.

142. The 1993 meetings of both the Commission on Transnational Corporations and of the Commission on Science and Technology for Development took place before the effective date of the transfer of the two programmes to UNCTAD in September 1993. The programmatic impact of the transfers for 1992-1993 was accordingly quite limited. Logistical and other difficulties connected with the transfer to UNCTAD of the Centre for Transnational Corporations did not have a significant impact on programme delivery for the biennium. 9/ The Commission on Transnational Corporations has since commented favourably on the quality of the outputs. Similarly, in the case of science and technology, although only some of the former Centre staff were transferred to UNCTAD, very few activities programmed for 1992-1993 had to be postponed. (Postponements related to 3 of the 21 activities programmed for the biennium.) At the same time, a number of activities were terminated in order to reflect the new work orientations provided by the Commission on Science and Technology for Development. Programme delivery with respect to the new priorities set by the Commission at its session in April 1993 is proceeding on schedule.

143. Once the resource base was known, following the approval by the General Assembly in its resolution 48/228 of 23 December 1993 of the programme budget for the biennium 1994-1995, the UNCTAD secretariat was realigned, taking full account of the relevant intergovernmental decisions, particularly the relevant provisions of resolution 48/228. A central feature of the realignment was the establishment of two new divisions focusing on the implementation of the two transferred programmes. The posts of the heads of the two divisions are at the Director level and their work is coordinated by the Deputy to the Secretary-General of UNCTAD.

144. The Division on Science and Technology is responsible for the implementation of relevant activities in areas that have been transferred to UNCTAD (capacity-building, advance technology assessment and information services), as well as for related activities concerned with technology transfer, which had been undertaken by UNCTAD prior to the restructuring exercise. The Division provides substantive support in those areas to the Commission on Science and Technology for Development, as well as to the Trade and Development Board and relevant subsidiary bodies.

145. The Division on Transnational Corporations and Investment is responsible for the implementation of the United Nations programme on transnational corporations in its entirety, as well as related UNCTAD activities on investment, privatization and enterprise development. The Division provides substantive support in those areas to the Trade and Development Board and its concerned subsidiary bodies, the Commission on Transnational Corporations and the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting. 10/

146. A common investment-technology advisory service has been established to tap the potential for synergies between the activities of the two divisions. An UNCTAD-wide reference service has also been set up within the Division on

Transnational Corporations and Investment on the basis of the separate reference units of the transferred programmes and the pre-existing UNCTAD reference unit.

147. The report on the implementation of activities of the programme on transnational corporations submitted to the Commission on Transnational Corporations at its twentieth session 11/ has pointed to other areas of synergy between the two divisions and between them and other areas of UNCTAD work. Examples of joint work between the two divisions include a study on policy options to stimulate the development and transfer of environmentally sound technologies for a workshop held at Oslo in October 1993; preparations for a high-level symposium on foreign direct investment and technology in Africa; a policy-oriented study (together with the International Organization for Migration) on the impact of foreign direct investment and trade on migration; and a study on transfer of technology in the service sector. Synergies between the Division on Transnational Corporations and Investment and the International Trade Division are reflected in a joint study on non-equity forms of foreign direct investment and exports from developing countries; a study on restrictive business practices in the service sector; and the preparations for a seminar on the enhancement of telecommunications applications in support for trade in services. Different parts of the UNCTAD secretariat have contributed to the preparation of reports for the twentieth session of the Commission on Transnational Corporations.

148. A comprehensive review and evaluation of the work programme of the UNCTAD intergovernmental machinery was made on the occasion of a special session of the Trade and Development Board in 1994. In that context, Governments reviewed substantive linkages between existing UNCTAD bodies (in particular, its Standing Committee on Services, the Ad Hoc Working Group on Investment and Financial Flows, the Ad Hoc Working Group on the Interrelationship between Investment and Technology Transfer and the Ad Hoc Working Group on Comparative Experiences with Privatization) on the one hand, and the Commission on Transnational Corporations and the Commission on Science and Technology for Development on the other. The Board recommended that the two Commissions be integrated into the intergovernmental machinery of UNCTAD, subject to concurrence by the General Assembly. In the same context, the Board decided to discontinue the Ad Hoc Working Group on Investment and Financial Flows and to transfer the relevant substantive issues to the Commission on Transnational Corporations.

149. Pursuant to Economic and Social Council resolution 1993/49 of 29 July 1993, the Commission on Transnational Corporations, at its twentieth session, in May 1994, recommended to the General Assembly, through the Council, that it be integrated into the institutional machinery of UNCTAD as a commission of the Trade and Development Board, to be renamed the Commission on International Investment and Transnational Corporations. In so recommending, the Commission recognized the mutually supporting benefits that parallel efforts at rationalization at the intergovernmental and secretariat levels can achieve to enhance the United Nations system's overall effectiveness in addressing international investment issues.

150. The new orientations of the programme on transnational corporations have been reflected in the second revision to the medium-term plan

(A/49/6 (Prog. 23)). The Commission on Science and Technology for Development will consider these issues at its next session in 1995.

151. The evolution of UNCTAD programmes, as well as developments in the relevant intergovernmental bodies, justify a generally positive, initial assessment of the restructuring measures affecting UNCTAD. This conclusion - which is by necessity a preliminary one as it is based on the experience of less than one year - relates to the substantive objective the Secretary-General had identified for the transfer to UNCTAD of the transnational corporation and technology programmes, as well as some of the more general managerial objectives that have guided the overall restructuring exercise.

152. From a substantive point of view, the measures taken are serving to achieve a more integrated treatment of trade, finance, investment and technology issues within the Organization. A deliberate effort is being made, in the implementation of those programmes, to exploit synergies among them, without detracting from the identity, specificity and visibility of the two programmes redeployed to UNCTAD, as emphasized by the General Assembly.

153. The United Nations now has, through UNCTAD, a stronger critical mass of expertise to deal with those issues, while definite savings and considerable economies of scale have been realized for the Organization as a whole: in the case of transnational corporations, the UNCTAD secretariat has assumed full responsibility for the totality of the work programme, having been allocated 78 per cent of the resources appropriated for those activities in the initial programme budget for the biennium 1992-1993; in the case of science and technology for development, the UNCTAD secretariat has assumed responsibility for three of the four relevant subprogrammes, having been allocated 50 per cent of the resources appropriated for those activities in the initial programme budget for the biennium 1992-1993.

154. Problems encountered relate in the main to transitional arrangements. Some of them, connected with the relocation of facilities, have by now been largely overcome. Thus, for example, savings within UNCTAD at the end of the biennium 1992-1993 were utilized for the construction of a reference library and the acquisition of furniture and equipment. The provision, in cooperation with the United Nations Office at Geneva, of suitable, definitive office accommodations for the staff transferred to Geneva has, on the other hand, not yet been completed. The envisaged transfer of relevant technical cooperation projects and accounts from New York to Geneva had also not been finalized as at mid-1994. Similarly, the channelling to UNCTAD of new requests for technical cooperation projects from Member States and UNDP in the areas transferred to it has encountered delays and other difficulties arising from the transition.

155. Extrabudgetary resources made available to the programme on transnational corporations following the restructuring have so far proved to be less than in previous years. Several of the traditional donors to the Trust Fund on Transnational Corporations have cited as reason for delaying their contributions the uncertainties connected with the transition phase. At the recent session of the Commission on Transnational Corporations, the delegation from one Member State, a traditional donor, announced a resumption in contributions, noting that it was now sufficiently confident in the programme's continuing ability to

deliver first-rate products. There is cause to expect, therefore, that the risk of the significant benefit now being derived from the consolidation in UNCTAD of the required critical mass of expertise in those areas being offset by reductions in extrabudgetary resource, will be averted.

5. Decentralization of the regional commissions

156. In its resolution 47/212 B, the General Assembly noted that the further restructuring of the Secretariat in the economic and social sectors would, inter alia, entail the decentralization of activities to the regional commissions, and stressed that such decentralization should be in accordance with the criteria agreed by the Assembly and the Economic and Social Council and should be on the basis of clearly identified relative advantages.

157. As indicated by the Secretary-General in his report on the revised estimates to the programme budget for the biennium 1992-1993 (A/C.5/47/88), and in the introduction to the proposed programme budget for the biennium 1994-1995, an interdepartmental task force reviewed possible decentralization measures to strengthen the regional commissions. Based on the recommendations of the task force, a redistribution of budgetary resources for advisory services was proposed in the programme budget for the biennium 1994-1995. The ratio of resources assigned to the regional commissions under section 20, Regular programme of technical cooperation, of the budget increased from approximately 40 per cent ($16.6 million) in 1992-1993 to 65 per cent ($26.2 million) in 1994-1995. This increase of resources for the regional commissions resulted in a corresponding decrease for central programmes.

158. Another area identified for decentralization related to the programme on energy and natural resources, including water and minerals. The distribution of responsibilities and corresponding redeployment of resources in that area was the subject of detailed consultations between the Secretariat entities concerned, namely, the regional commissions, the Department for Development Support and Management Services, UNEP and UNCTAD. The outcome of those consultations was reflected in the additional proposals for decentralization submitted to the General Assembly in the report of the Secretary-General of 31 May 1994 (A/C.5/48/76) and endorsed by the General Assembly in its resolution 48/261.

159. The agreed measures are currently being implemented. As requested in resolution 48/261, the Secretary-General will report on the implementation of the measures in the programme performance report for the biennium 1994-1995.

160. In the context of the work of the task force mentioned above, other activities were identified, in areas such as social development, population, poverty alleviation, economic cooperation among developing countries, statistics, economic analysis and marine affairs, which, although not necessarily requiring significant reallocations of resources, would benefit from a more effective division of labour among global departments and programmes and regional commissions. The Secretary-General intends to keep the question of improving the division of labour within the Organization in these and other

areas under active consideration. The results will be reflected in subsequent programme budgets.

161. In addition to the decentralization measures discussed above, the regional commissions themselves are actively engaged in, or have recently completed, reform efforts aimed at making regional activities more responsive to the needs of member States. While the restructuring approach followed in each region was dictated by the specific needs as perceived by member States in the respective commissions, the general thrust of the reform efforts is to achieve a better distribution of functional responsibilities, more focused work programmes, which are in most cases reorganized along thematic lines, and a simplification and rationalization of the intergovernmental subsidiary machinery of the commissions. Each secretariat has reported in detail to its respective commission on the implementation and impact of the measures agreed upon. These matters are also reviewed in the latest report of the Secretary-General on regional cooperation submitted to the substantive session for 1994 of the Economic and Social Council. 1/

162. Efforts are also under way to improve inter-agency cooperation at the regional level. The Secretary-General's initiative to enhance regional coordination by requesting the executive secretaries to convene periodic inter-agency meetings in their respective regions is being followed up in each region, with the full cooperation of the concerned agencies. In several cases these initiatives are building on existing ad hoc mechanisms.

163. Efforts are also continuing to improve substantive coordination between the regional commissions and the United Nations funding programmes, in particular UNDP and the United Nations Population Fund (UNFPA), with the aim of eliminating duplication and achieving a more supportive and coherent environment for operational activities for development at the regional level.

6. Strengthening the United Nations presence at Nairobi

164. Nairobi hosts the headquarters of UNEP and Habitat. Since 1984, the two organizations have been located in the United Nations facilities at Gigiri, which also house other national and regional United Nations offices.

165. For two decades, the growth of Nairobi into a fourth hub of global activities of the United Nations, along with New York, Geneva and Vienna, has been purposeful, but not always fully coordinated. This has resulted in the development of parallel management and administrative structures, which have at times detracted from the original intent of the General Assembly in placing both programmes in the same location. Indicative of that intent is resolution 32/162 of 19 December 1977 establishing Habitat, in which the General Assembly decided that there should be close links between the Centre and UNEP, and that for that reason the location of the Centre should be Nairobi.

166. The separate administrative structures that emerged did not encourage collaboration between the two programmes and did not allow for full advantage to be taken of potential synergies and efficiencies. They also did not facilitate the servicing of other Secretariat functions that require administrative and

management support at Nairobi. Therefore, within the broader context of organizational and management reform, and for the specific purpose of strengthening the United Nations presence at Nairobi, the Secretary-General in 1993 initiated a number of measures aimed at enhancing coherence in the management of UNEP and Habitat. Those steps were based on the premise that the two programmes would retain fully their distinct identity and distinct programmatic focus, but that opportunities for substantive collaboration and common administrative and support services to ensure greater overall operational efficiency for the two entities would be actively pursued. An additional aim is to develop an organizational structure that could accommodate other long-term and temporary functions of the Secretariat (information centre, offices of peace-keeping and other field missions, etc.) at Nairobi. The temporary functions have now reached a level where it may be necessary to conclude a special agreement with the host country in order to secure the smooth operation of ongoing and expected activities.

167. The feasibility of common administration and support services to replace the two separate administrations of UNEP and Habitat, as well as the United Nations Common Services Unit, has been the subject of several studies over the years, all of which have concluded that the creation of a central administration would eliminate duplication of services and redundancies in posts, ensure better use of resources and improve the administrative support provided to other Secretariat functions requiring services at Nairobi.

168. Under present plans, which will be the subject of further reporting to the General Assembly, common services would include, in addition to a joint human resource management service incorporating personnel as well as other staff-related services, common conference services, finance operations, general support services, including contracts and procurement, library and information facilities. It is expected that savings will result, which can be deployed to substantive programmes. In that connection, the experience with the establishment of joint statutory bodies such as the Appointment and Promotion Panel, Committee and local Board, as well as the Contracts and Procurement Committee and the Property Survey Board, has proved positive not only in providing a more standardized application of regulations, but also in ensuring economies, for example in the purchase and operation of equipment.

169. At the programme level, enhanced collaboration between UNEP and Habitat, is producing better results in several areas. The complementarity in the expertise of the two bodies was, for example, evident in the work presented jointly by UNEP and Habitat at the Global Conference on the Sustainable Development of Small Island Developing States. Another example is the substantive support to the Commission on Sustainable Development, where there has been collaboration between Habitat and UNEP, on a continuing basis. A third example relates to the work of the UNEP/Habitat Joint Task Force on the Continuum from Relief to Development, which is making evident the close linkages that exist in that respect between environment and human settlements.

170. The Secretary-General fully shares the concern of Member States that the distinct mandate and separate identity of Habitat should be fully maintained. This is especially important on the eve of the second United Nations Conference on Human Settlements (Habitat II). In that context, the Assistant Secretary-

General, who serves as the senior manager of Habitat, has also been designated Secretary-General of the Conference. Closer collaboration between UNEP and Habitat and a shared managerial framework, including common administrative support services, may be achieved in a way that strengthens both organizations without in any way jeopardizing the mandate and programmatic identity of either. In particular, collaboration in programme delivery should serve to enhance the development of a comprehensive approach to the interdependent issues of environment and human settlements to the benefit of each, and in support of the overall objective of sustainable development. The administrative reforms under consideration should thus contribute to a more efficient use of scarce resources and more coherent management in both entities, and also provide the foundations for a stronger headquarters centre in Kenya and added visibility to the United Nations presence in Africa.

7. United Nations Office at Vienna

171. The paragraphs below deal with the restructuring process affecting the organizational entities under the responsibility of the Director-General of the United Nations Office at Vienna, who also serves as the Executive Director of the United Nations International Drug Control Programme. The United Nations Office at Vienna now includes also the Office for Outer Space Affairs, the Crime Prevention and Criminal Justice Branch, in addition to a Division of Administrative and Common Services. Further, the United Nations presence at Vienna comprises the International Trade Law Branch of the Office of Legal Affairs and the United Nations Information Service of the Department of Public Information, which currently also provides public information services for the United Nations International Drug Control Programme.

172. Within a short span of time, the United Nations entities at Vienna have gone through a number of major readjustments. As previously noted, divisions of the Centre for Social Development and Humanitarian Affairs, which also provided the parent structure of the Crime Prevention and Criminal Justice Branch, were redeployed to the Department for Policy Coordination and Sustainable Development in New York.

173. Pursuant also to resolution 47/212 B, the Office for Outer Space Affairs, which was part of the Department of Political Affairs, was relocated to Vienna in October 1993 and responsibility for legal matters related to the Committee on the Peaceful Uses of Outer Space, which was previously shared between the Office of Legal Affairs and Office for Outer Space Affairs, was transferred to the latter.

174. Further to General Assembly resolution 45/248 A, section VIII, of 21 December 1990, which called for the strengthening of the United Nations Office at Vienna, a Division of Administration and Common Services was established in 1991 and entrusted, inter alia, with the responsibility of negotiating a rationalization of the joint and common services shared by the United Nations, the United Nations Industrial Development Organization (UNIDO) and the International Atomic Energy Agency (IAEA). Initial steps in the rationalization process were implemented at the outset of 1992 with an agreement between the United Nations and IAEA for the provision of interpretation services

to the Agency by Conference Services of the United Nations Office at Vienna. Until that time, the United Nations and UNIDO had provided that service on a joint basis.

175. The Director-General of the United Nations Office at Vienna is supported by two Directors, one of whom serves concurrently as Deputy to the Director-General. Both the Office of Outer Space Affairs and the Crime Prevention and Criminal Justice Branch act under the authority of the Director-General.

176. The assessment of the impact of restructuring measures affecting United Nations activities at Vienna must include the important decision, predating the restructuring process on which the present report focuses, to consolidate three pre-existing drug control units into the United Nations International Drug Control Programme. As far as that programme is concerned, after some initial difficulties associated with the integration process, the programme implementation rate rose from 73.9 per cent in 1990-1991 to 80.2 per cent in 1992-1993, reflecting the growing effectiveness of the integration process.

177. The quality of outputs also shows definite improvement. Outputs have been reformulated based on a cross-fertilization of activities within the Programme and in response to new priorities. Prior to the establishment of the Programme, there was insufficient coordination between the treaty implementation activity and technical advisory functions. Following the consolidation of the three entities into the Programme, technical assistance can now make a better contribution to the pursuit of the goals and objectives set by international drug control treaties and resolutions of intergovernmental bodies. The creation of the United Nations International Drug Control Programme has also set the stage for a more effective exercise of leadership in international drug control. In particular, the emphasis in the mandate of the Programme on inter-agency cooperation and coordination enables it to promote with greater authority the inclusion of drug control concerns in the activities of the system.

178. As far as the Crime Prevention and Criminal Justice Branch is concerned, resource constraints in relation to a vastly expanding mandate resulted in an implementation rate of 63 per cent during the biennium 1992-1993. It should be noted, however, that the output inventory against which programme performance is measured does not as yet adequately reflect some major changes that have been introduced in the Branch's mandates, in particular, the major shift in focus from standard-setting to operational and practical activities, including international cooperation and technical assistance.

179. The relocation of the Office of Outer Space Affairs to Vienna resulted in some initial difficulties at the first sessions of the Committee on the Peaceful Uses of Outer Space and its subsidiary bodies held at Vienna, but these were rapidly overcome. The relocation of the Office to Vienna has substantially improved cooperation between it and various national and international space agencies located in Europe. In particular, the European Space Agency (ESA) has increased its support for activities of the United Nations Programme on Space Applications. Additionally, the relocation has opened up the possibility of cooperation between the Office and the United Nations International Drug Control Programme in integrating the use of space technology into drug control activities.

180. The restructuring of administrative arrangements at Vienna has not yet been completed. There thus exists limited experience in judging the programme implications of the organizational adjustments that have been introduced. The initial experience with the conference-servicing arrangement between IAEA and the United Nations Office at Vienna has resulted in economies during the biennium 1992-1993 through reduced administrative overheads, as well as greater utilization of the established capacity in lieu of the recruitment of more expensive freelance staff. The phased transition of conference services from UNIDO to the United Nations Office at Vienna is expected to result in further economies in the long run.

181. The consolidation process described above, including efforts to reinforce synergies among the programmes located at Vienna, will continue during 1994. This is expected to result in improved programme delivery, which should be reflected in the programme performance report for the biennium 1994-1995.

182. Similarly, arrangements for the administration of the programme activities located at Vienna will be kept under review and adjusted as necessary so as to ensure the most appropriate balance between accountability and authority, and to achieve the highest level of efficiency. In the same context, the existing agreement on the delegation of administrative authority for the United Nations International Drug Control Programme will be evaluated and, if required, adjustments introduced. In the financial area in particular, recent audit observations point to the need to redefine the accounting function at Vienna, currently shared between the Accounts Division at Headquarters, the United Nations Office at Vienna and the United Nations International Drug Control Programme.

183. The identification of further activities and responsibilities that would benefit from relocation to Vienna remains under active consideration.

C. Administration and management, common services and other activities

1. Department of Administration and Management

184. The Secretary-General accords very high priority to the effective and coherent exercise of administrative and management functions. He considers improvements in that respect as crucial to enhancing the responsiveness of the Secretariat to the changing requirements of the Organization and to improving services provided to Member States and to other parts of the Secretariat, as well as ensuring a timely flow of information and effective consultations between Member States and the Secretariat.

185. The reorganization of the Department of Administration and Management, which was approved by the General Assembly in its decision 48/491 of 14 July 1994, was designed to achieve three strategic objectives:

(a) A department with clear lines of policy and operational responsibilities and accountability;

(b) An integrated department in which there is constant interaction between the constituent parts in order to permit budgetary, personnel and other interrelated managerial considerations to be taken into account collectively in decision-making;

(c) A lean, streamlined department with minimum levels of management consistent with the scope and depth of activity.

186. In line with the first objective, the responsibilities of the Under-Secretary-General and of the three Assistant Secretaries-General have been clearly defined:

(a) The Under-Secretary-General is responsible for policy oversight for the effective delivery of services to Member States, to the Secretariat and to other entities at Headquarters that are dependent on services provided by the Department. At the same time, the Under-Secretary-General will assume direct line responsibility for financial management and control. This will imply substantive involvement in the management of financial resources, including the funding of the Organization, a critical concern of the Secretary-General and Member States in recent years;

(b) The Assistant Secretary-General for Programme Planning, Budget and Accounts, the Controller, controls the allotment of funds authorized by the General Assembly, expenditures and accounting for such expenditures. He prepares and presents the medium-term plan, the programme budget of the Organization and peace-keeping budgets;

(c) The Assistant Secretary-General for Human Resources Management is responsible for the policies regarding the hiring and management of personnel to serve the Organization, with particular emphasis on training and career management and development;

(d) The Assistant Secretary-General for Conference and Support Services is responsible for the policies and management of conference and support services including building and commercial services, electronic services, and security and safety services, as well as for the development and implementation of the Integrated Management Information System. He also serves as the United Nations Security Coordinator.

187. To achieve the strategic objective of an integrated department, it has been decided to establish, at the highest level, a consolidated front office comprising the Under-Secretary-General and the three Assistant Secretaries-General, with supporting staff. This organizational structure is intended to promote common planning, easy and frequent cross-functional communication, and the development of a collective sense of accountability and responsibility.

188. The achievement of the third objective, namely, a streamlined department is reflected in the reduction of the number of senior posts (D-2 and above) in the budget for the biennium 1994-1995 compared with that for the biennium 1992-1993 from 19 to 15 senior posts, respectively.

189. As the new structure of the Department of Administration and Management has only recently been formalized, it is obviously not yet possible to assess its effectiveness. This should be possible, however, by the end of the budgetary period. As mentioned above, the process of modernizing management practices is an essential component of the Secretary-General's effort.

190. One of the key responsibilities of the Department of Administration and Management is the coordination of the preparation of the main planning documents of the Organization: the medium-term plan and the biennial programme budget. It is anticipated that the overall restructuring of the Secretariat will have an altogether positive effect on the quality and coherence of the planning cycle. By introducing a greater congruence between programmatic and organizational structures, the new format of the medium-term plan (see the report of the Secretary-General (A/49/301), which contains his proposals for the prototype of a new plan) will make it possible to identify more clearly where the responsibility for the implementation of programmes lies. That result, which would not have been possible without the streamlining and consolidation of secretariat structures, will allow better reporting on programme impact and consequently greater accountability for programme managers.

2. Office for Inspections and Investigations

191. The reform introduced by the Secretary-General in the area of inspections and investigations arose from his concern that the Organization needed more effective internal financial auditing, more operational auditing and an investigation capacity, that is, an overall control mechanism to ensure that all other financial and operational tools were in place and functioning.

192. Effective 1 September 1993, the Secretary-General established the Office for Inspections and Investigations (see ST/SGB/262 of 24 August 1993) to provide comprehensive audit, inspection and investigation services to the Organization. The Office was created as an integral part of the Secretariat; however, it has functioned independently in the conduct of its duties and responsibilities and has had the authority to initiate any audit, inspection or investigation without any hindrance or need for prior clearance.

193. The objectives of the Office were conceived to ensure compliance with General Assembly resolutions and United Nations regulations, rules and policies; to monitor programme implementation and evaluate the results achieved; to assess the Organization's systems of management and control; to investigate apparent mismanagement with a view to preventing waste, abuse and malfeasance; and to recommend policies and measures for the promotion of economy and efficiency based on its audits, inspections and investigations.

194. The Office has coordinated its activities with the Board of Auditors of the United Nations and the Joint Inspection Unit with respect to the implementation of their recommendations and in order to minimize duplication of effort.

195. The Office was created from the merger of the Internal Audit Division, the Central Evaluation Unit, the Central Monitoring Unit and the Management Advisory Service. As a result of the establishment of the Office, the Management

Advisory Service merged with the Internal Audit Division to form the Audit and Management Control Division, the Investigation Unit was formed and the inspection function was added to the Central Monitoring Unit. The resources allocated to the new office were limited to those of the existing organizational units.

196. In July 1994, the General Assembly approved resolution 48/218 B, by which it created a new office, the Office of Internal Oversight Services, replacing the Office for Inspections and Investigations, which introduced a significant upgrading of capability and a more independent structure.

197. As the Office for Inspections and Investigations was established in late September 1993, there was minimal impact on the work of the various units of the Office. However, in the context of reporting the implementation of their programmed activities to the Central Monitoring and Inspection Unit, several departments indicated that the restructuring had delayed the completion of some of their scheduled deliveries and necessitated adjustments to the 1992-1993 work programme. This issue is dealt with in the body of the present report, particularly the sections on UNCTAD, the Department for Policy Coordination and Sustainable Development and the Department for Development Support and Management Services. Relevant data were reflected in the report of the Secretary-General on the programme performance of the United Nations for the biennium 1992-1993 (A/49/135).

198. As far as the work of the Office for Inspections and Investigations is concerned, the impact of the restructuring of other areas was reflected in the late finalization of the report of the Secretary-General mentioned above and its resultant late submission to the 1994 spring session of the Committee on Programme and Coordination. This was due to the fact that the contributions from departments that have been subject to restructuring were received very late and were often incomplete, rendering difficult their timely review and the proper monitoring of their programme deliveries.

199. Further impact has been and will continue to be apparent in the growing number of requests for the preparation of sections of the Organization Manual. The research for and preparation of the Manual have been absorbed by the Management Audit Section (the former Management Advisory Service); however, final approval must still be given by the Under-Secretary-General for the Department of Administration and Management as that authority has been delegated by the Secretary-General.

200. On the positive side, the merger of the offices responsible for internal audit, monitoring and evaluation, management assessment, and inspections and investigations into one entity enables greater interaction between those functions, resulting in more efficient use of resources.

201. The increase in the delegation of authority to regional commissions, coupled with the increase in the number and complexity of peace-keeping missions, will require a substantial increase in the audits of those overseas activities. In addition, greater emphasis will need to be given to compliance audits to ensure that regulations, rules and procedures are complied with and to assess the effectiveness of such compliance. Management audits, the

monitoring of management controls and the formulation of recommendations for management and productivity improvements will also need to be expanded.

202. The role of central monitoring of programme performance will be strengthened by incorporating it within a broad inspection function. It is envisaged that the new Central Inspection and Monitoring Unit will continue to assume the responsibility prescribed in regulations 5.1, 5.2 and 5.3 of the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation. The central monitoring function will also include ad hoc inspections of programmes and organizational units where there are good reasons to believe that programme oversight is ineffective and the potential for a wasteful utilization of resources is great. In that connection, monitoring and self-evaluation will be viewed as an integral part of the managerial oversight responsibility, which requires the generation, on a routine basis, of data and analytical information on implementation and results achieved, including the use of achievement indicators where appropriate. General guidelines on the managerial oversight function, including methods for data collection and information gathering and their coverage, will be prepared centrally for the guidance of programme managers. The Unit will regularly inspect and monitor the implementation of such guidelines to review how programme managers throughout the Organization collect and assemble information on their respective programmes in order to keep apprised of progress, analyse performance, enhance the economy and efficiency of implementation, and establish adequate accountability systems.

203. The Office will establish appropriate policies and procedures for investigating reports of alleged misconduct, malfeasance, deliberate mismanagement, abuses or violations of the United Nations regulations and pertinent administrative issuances. It will also assess the potential within programme areas for fraud and other violations through the analysis of systems of control.

204. The Office of Internal Oversight Services will address certain reports to programme managers and will expect them to indicate corrective action taken or planned. Reports on significant investigations involving serious mismanagement, abuse or fraud will be submitted to the Secretary-General as they arise. Every six months the head of the Office will submit to the Secretary-General a report on the results of the work of the Office and on the implementation of recommendations. Those reports will summarize the recommendations to programme managers that deserve to be brought to the attention of the General Assembly and list separately those recommendations which have been implemented by programme managers and those which require further action. The Department of Administration and Management has focused additional resources on the periodic follow-up to recommendations and findings of both the Office of Internal Oversight Services and the Board of Auditors in order to assure the Secretary-General and the Assembly of appropriate implementation of corrective action.

3. Department of Public Information

205. The Secretary-General's objective to consolidate and streamline the activities of the Organization into well-defined functional categories so as to ensure more effective implementation of mandates and related programme delivery has guided the restructuring measures introduced in the Department of Public Information. The rationale is described in paragraphs 90 to 93 of the report of the Secretary-General of 29 September 1993 (A/48/428). The following paragraphs provide an initial analysis of that impact.

206. The transfer of publishing services from the Office of Conference Services to the Department has contributed to streamlining the delivery of print products and to gearing cost-effective production to the needs of specific audiences. That transfer has given an enhanced role to the revitalized Publications Board in reviewing manuscripts and in evaluating their potential to serve as communications tools for the United Nations. It should be noted that during the biennium 1992-1993, the sale of publications earned some $3.4 million in net revenue. The Department is now providing a number of increasingly successful sales publications, such as the redesigned UN Chronicle, the Yearbook of the United Nations and the World Media Handbook. The creation of a single Design Unit under the responsibility of the Department, as well as the transfer of the Production and Coordination Section, reflect the new criteria of cost-effectiveness for the work of the Secretariat with regard to print products.

207. The transfer of the Dag Hammarskjöld Library to the Department of Public Information has also proved beneficial. The Department's various audiences - delegates, the media, non-governmental organizations, educational institutions and the public at large - are increasingly interested in the information services available to them through the many outlets offered by the Library. Over the past years, delegates and mission staff have been provided formal training sessions on the use of UNBIS on-line databases in response to the interest expressed by the Committee on Information.

208. Following the transfer of United Nations Institute for Training and Research (UNITAR) to Geneva, the workshops on the structure, retrieval and use of United Nations documentation formerly organized by UNITAR will now be conducted by the Dag Hammarskjöld Library prior to the opening of General Assembly sessions. In order to enhance its Depository System, the Library has increased its outreach activities to 330 libraries in 130 countries and has implemented technological innovations that allow for the easy transfer of information - United Nations documents and publications - to users all over the world. It has also become increasingly involved in promotional activities such as organizing book exhibits and producing special bibliographic outputs related to major United Nations conference themes and other United Nations issues. Another effect of the incorporation of the Library into the Department of Public Information has been the creation of specialized branch libraries within the Department of Political Affairs, as well as in departments dealing with economic and social development. The Department of Public Information has taken measures to overcome duplication within the library information services at Vienna and to consolidate the libraries of UNEP, Habitat and the United Nations Information Centre at Nairobi.

209. The Office of the Spokesman for the Secretary-General continues to be administered by and budgeted under the Department of Public Information. At the same time, on substantive and policy issues, the Office also receives direct instruction and guidance from the Executive Office of the Secretary-General. The work of the Office of the Spokesman for the Secretary-General is an essential element in the Department's relations with the media at Headquarters and throughout the world.

210. In conformity with the Secretary-General's objectives of consolidation and streamlining, 16 United Nations information centres have been successfully integrated with UNDP field offices. The impact of that integration exercise can be seen in two areas:

(a) An improved and unified image of the United Nations in the field through enhanced information activities in all areas, including those related to development;

(b) More effective inter-agency cooperation and the sharing of common services.

211. The Department undertook a survey of UNDP resident representatives serving concurrently as centre directors, which provided evidence of a positive impact of the integration exercise. On the basis of the survey results, the exercise will be continued, on a case-by-case basis, in accordance with the objectives stated by the Secretary-General and taking into account the views of each participating Member State.

212. United Nations information centres, UNDP and other field offices, as well as specialized agencies, peace-keeping and other field missions, United Nations depository libraries, various offices at Headquarters and permanent missions of Member States, have electronic access to information material provided by the Department. An average of 10,000 files, updated several times a day, are retrieved daily by 212 offices. To enhance their performance further, all United Nations information centres have been equipped with computers and other modern communications technologies. The Dissemination Unit has been incorporated into the Information Centres Service. The major effects of the streamlining and enhancement of the dissemination and retrieval of electronic information have been:

(a) The strengthening of the outreach potential of the United Nations. As a result, projects are currently being pursued to make United Nations information available in portable electronic formats such as CD-ROM;

(b) It is planned to develop data transfer capabilities with other publicly accessible databases as well as to enhance the electronic bulletin board systems of New York and Geneva with access to all offices and agencies.

213. The functions of providing secretariat services to the Committee on Information, the Joint United Nations Information Committee, the Publications Board, as well as the representation of the Department of Public Information at the Inter-agency Meetings on Language Arrangements, Documentation and Publications, have been centralized in the Office of the Assistant Secretary-

General. This has led to more coherence and rationalization, resulting in an overall reduction in the volume of documentation produced by the Department, and to greater efficiency in the planning of the annual sessions of the Committee on Information, leading in turn to a 33 per cent reduction in the duration of its session as well as a more cost-effective use of conference services.

214. It should be noted that the restructuring exercise has also resulted in a significant reduction of the budgetary resources of the Department: the restructured Department has experienced a reduction of $2.7 million and 21 posts (12 Professional posts at Headquarters and United Nations information centre field posts, and 9 Local level information centre field posts) in relation to the programme budget for the biennium 1992-1993. This situation initially affected programme delivery. Nevertheless, even with fewer resources at its disposal, the Department has continued to strengthen its professional credibility, sharpen the focus on selected issues, forge media partnerships and improve the tools of delivery. With the aim of ensuring a coordinated approach to the multitude of issues, particularly with regard to the preparation of the fiftieth anniversary and major United Nations conferences, the Department has designated qualified and experienced information professionals as focal points for each of these events.

215. Efforts have also been made to reduce expenditures at some high-cost duty stations. This has lead to the successful negotiation of the release of the United Nations from the contract on the c rrent premises of the United Nations information centre in London and the transfer of the centre to a much less expensive, yet equally effective location, as well as to intensified efforts by the Department, to encourage Member States to provide meaningful support on an assured, realistic and continuous basis for information centres located in their capitals.

IV. CONCLUDING REMARKS

216. The present report has provided an initial assessment of the restructuring of the Secretariat as it has developed during the past biennium. The aim of the restructuring was to enhance and improve the Organization's ability to meet the strategic objectives and priorities established by Member States, while creating and introducing simpler, streamlined structures to support the basic functions of the Organization in meeting those objectives. It is against these strategic objectives and priorities that the new structure should be evaluated.

217. Restructuring in the United Nations should be regarded as a process rather than as a discrete event. It is a process of adapting the United Nations to new demands and emerging priorities. As such, it is a process affecting people, not only the thousands of staff members who work for the Organization, but also those for whom the United Nations works, people in all parts of the world who benefit from its activities.

218. The task of Secretariat reform - restructuring and adjusting to new challenges - is an ongoing one, where periods of reform must alternate with phases of consolidation. The new structures of the Secretariat now in place provide a more effective framework for meeting the objectives and priorities of

Member States. Much remains to be done, however, to make this new structure, and the people it encompasses, function more effectively and efficiently. This will be the focus of the efforts of the Secretary-General in the period ahead.

Notes

1/ E/1994/50.

2/ Official Records of the General Assembly, Forty-eighth Session, Supplement No. 6 (A/48/6/Rev.1).

3/ Ibid., Supplement No. 3 (A/48/3/Rev.1), chap. III.

4/ Report of the World Conference on Human Rights, Vienna, 14-25 June 1993 (A/CONF.157/24 (Part I)), chap. III.

5/ E/1994/19, para. 85.

6/ Official Records of the General Assembly, Forty-seventh Session, Supplement No. 1 (A/47/1), para. 105 (a).

7/ E/1994/19.

8/ Report of the United Nations Conference on Environment and Development, Rio de Janeiro, 3-14 June 1992 (A/CONF.151/26/Rev.1 (vol. I, vol. I/Corr.1, vol. II, vol. III and vol. III/Corr.1)) (United Nations publication, Sales No. E.93.I.8 and corrigenda), vol. I: Resolutions adopted by the Conference, resolution 1, annex II.

9/ They have, however, affected the completeness of the information provided for the purposes of the programme performance report for the biennium 1992-1993 submitted to the Committee for Programme and Coordination (A/49/135/Add.1), which showed a number of activities pertaining to transnational corporations as postponed because the status of implementation of those outputs could not be ascertained. More complete information on the status of implementation now available shows that only 2 of 144 activities were postponed; the majority of the activities were implemented (with 30 being reformulated and implemented). Only 18 activities were terminated (these relate to work on the code of conduct, which has been suspended, and to several extrabudgetary activities that could not be implemented owing to a shortfall in voluntary contributions), resulting in a rate of implementation of 92 per cent in 1992-1993, comparable to the high rates of implementation attained in the past bienniums.

10/ Noting that the transfer of UNCTAD of responsibility for the programme on transnational corporations has rendered unnecessary the maintenance of a joint unit with the Economic Commission for Europe (ECE) concerned with that programme, the Secretary-General of UNCTAD and the Executive Secretary of ECE

have agreed that the functions of that unit should be integrated within UNCTAD and that the two organizations should cooperate directly, in accordance with the requirements of their respective work programmes.

11/ E/C.10/1994/10.

ANNEX

Objectives of the restructuring exercise

Objectives	Action taken and initial assessment
General	
1. Make the Secretariat more effective in responding to Member States' priorities. a/	This is an ongoing effort. Considerable progress has been made in some areas, less in others. A new prototype medium-term plan providing congruence of programmatic with organizational structures has been developed. This will enable subsequent linkages with budgetary control and accountability. Programme managers believe that efficiency gains can be achieved in the next biennial programme budget.
A. Political and humanitarian sectors	
2. Consolidate and streamline Secretariat services at Headquarters. b/	New structures are in place (the Department of Political Affairs, the Department of Peace-keeping Operations, the Department of Humanitarian Affairs and new capacity in the Field Operations Division), which have helped the Organization to cope with a massive increase in peace and humanitarian operations in a concerted and more coherent manner.
3. Enhance the Organization's capacity for preventive diplomacy, peacemaking and peace-keeping. c/	
B. Economic and social sectors	
4. Build a unity of purpose for the economic, social and environmental sectors of the Organization; enhance the overall coherence of United Nations programmes and actions. d/	Considerable policy clarification is taking place. This is a complex process that will take time. Greater synergies between hitherto separate programmes have been established. However, a new culture of collaboration and belonging to a single integrated programme still needs to be developed. Clarification of some intergovernmental mandates is still required.
5. Strengthen linkages between these sectors and the political and humanitarian sectors of the Organization. e/	This matter is being given considerable attention in various forums, including the Administrative Committee on Coordination (continuum from relief to development). It has been addressed in the Secretary-General's report on an agenda for development (A/48/935). There is evidence that coordination in complex emergencies is improving overall. However, linkages between peace-keeping operations/emergency assistance/rehabilitation and development will require further study and further efforts to translate concepts into action.
6. Define more clearly those tasks for development and cooperation which should be carried out by the Organization itself and within the United Nations system of specialized agencies and institutions. f/	The tasks to be undertaken by the Secretariat vis-à-vis the rest of the United Nations system have been clarified in several respects. In specific areas, e.g. in relation to the follow-up to the United Nations Conference on Environment and Development, definite progress is being made in clarifying the division of labour within the United Nations system. Many important issues, including relationships between the Bretton Woods institutions and other organizations of the system remain, which require further study/policy clarification.

Objectives	Action taken and initial assessment
7. Obtain a more rational distribution of responsibilities: (a) Between Headquarters and the United Nations Offices at Geneva, Nairobi and Vienna; (b) Between global, regional and field structures. f/	(a) Redistribution of responsibilities and transfer of functions between Headquarters, Geneva, Nairobi and Vienna has taken place, i.e. transfer of the United Nations Centre for Science and Technology for Development and the Centre on Transnational Corporations from New York to UNCTAD, transfer of the Social Development Division and the Division for the Advancement of Women to the Department for Policy Coordination and Sustainable Development from Vienna, etc. This is having a positive impact on programme delivery, especially in relation to comprehensiveness and coherence of Secretariat activities, including preparation of international conferences, integrated treatment of trade/finance/investment/technology issues, etc.; (b) Decentralization to regional commissions (advisory services, natural resource programme) has been initiated. Impact yet to be determined.
8. Establish clear lines of responsibility in a simpler structure. Eliminate duplication and overlapping and solve the problem of coordination. f/	New Headquarters structure has been put into effect. ST/SGBs have been or are soon to be issued. Some initial steps to eliminate duplication and improve coordination have been taken. Although lines of responsibility are generally clearer, several coordination issues between entities in the economic and social sectors still remain to be resolved. A number of coordination issues between the Secretariat and operational programmes (UNDP, UNICEF), and with the Bretton Woods institutions still remain to be addressed. The Administrator of UNDP has recently been entrusted with assisting the Secretary-General in enhancing policy coherence within the United Nations and overall coordination of operational activities.
C. Administration and management	
9. Reorganize the Department of Administration and Management to achieve an integrated, streamlined department with clear lines of responsibility.	General Assembly decision 48/491 of 14 July 1994. The basic elements of a new structure are in place. Efforts have been initiated to improve management culture through introduction of a system of accountability and responsibility - a necessary precondition to moving from centralized control from the top to a decentralized mode of operational responsibility.
10. Establish internal oversight services.	The Office for Inspections and Investigations was created in September 1993. The General Assembly in its resolution 48/218 B of 14 July 1994 consolidated the new structure under the Office of Internal Oversight Services. The impact of the consolidation of all investigations, audit, inspection and evaluation functions in one office is likely to be apparent at end of the budget period.

a/ Statement by the Secretary-General to the Fifth Committee on 6 November 1992 on the international civil service (see A/C.5/47/SR.21).

b/ A/C.5/47/2, para. 3, and A/C.5/47/88, para. 66.

c/ A/C.5/47/88, para. 66.

d/ A/C.5/47/2, para. 3, and A/C.5/47/88, para. 19.

e/ Statement by the Secretary-General to the General Assembly on 2 November 1992 on the follow-up to the United Nations Conference on Environment and Development (see A/47/PV.52).

f/ A/C.5/47/88, para. 19.